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Western Canada Chases Gloom

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

Canadian Mining News Department Page 16

Vol. XXIV | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, NOVEMBER 14, 1931 | 10c a Copy; $5.00 a Year | No. 46

The Nation's Business

Balancing Our Federal Budget

It is Canada's First Need Now

Silver Experts Spurn Bi-metallism

A Radio Combine?

Canada's First Job Balance the Budget

IT IS the immediate duty of the Canadian government to balance the national budget; to restore the balance between income and outgo. All other considerations are secondary. It is this task to which Mr. Bennett's ministers should be applying themselves while their chieftain is on a much needed holiday; it is this task that he should take up with vigor and determination when he returns.

At the present time Canada is borrowing to meet revenue deficits, a policy that can only lead to a much more serious situation even than the one that now exists.

It was borrowing to meet revenue deficits that brought on Britain's governmental and financial crisis. Yet statesmen in the Old Country moved swiftly to meet the emergency situation.

* * *

BRITAIN did not realize the seriousness of its position when Rt. Hon. Philip Snowden, Chancellor of the Exchequer, brought down his budget last winter. He estimated a small surplus of revenue over expenditure. But the continuance of depression disappointed him. Large deficits were being run. The May report forecast that the deficit would reach £120,000,000. The knowledge that Britain was living off capital induced a flight from the pound. Britain was unable to borrow. Wall Street called the tune.

Dictated by a combination of good judgment and pressure from foreign and domestic bankers, Britain proceeded to balance her budget. The National government was formed. Mr. Snowden brought down a second budget calling for some new taxation but calling chiefly for a most drastic paring of all expenditures. The £120,000,000 deficit has been turned into a prospective surplus of small amount. The people of Britain have backed the new pay-as-you-go policy. Britain's credit, under suspicion in midsummer, stands high today.

* * *

WHAT Britain did Canada can and should do. England has set an example to all countries suffering from national extravagance by restoring the balance of her budget with a courage and a promptitude which demands admiration. "Other nations may follow: they cannot improve on our example," says a British writer.

* * *

IS CANADA prepared to follow? We will have to follow Britain's example if we are going to restore our own credit. We are having resort to a domestic loan because we cannot borrow elsewhere. We cannot borrow elsewhere because we are living beyond our income; we have not balanced our budget. This applies to the provinces as well as to the Dominion.

Canada could balance its budget overnight just as Britain did. It would mean large sacrifices. We would have to call off at once many public works already under way; we would have to jettison some government departments and services and many paternalistic schemes that have been established, either in times of easy money or under the policy of providing every man with a job at governmental expense.

Nothing would serve to raise higher Canada's status among the nations, nothing would raise the credit of our country more quickly than for the Dominion and the provinces to do now what they will eventually be forced to do—curtail all governmental expenditures to the limits of the income that is received.

* * *

THERE is an idea that all this huge expenditure of government funds is creating prosperity. It is doing nothing of the sort; it is creating a worse crisis than the one it is designed to relieve.

One may question if the expenditure of public money is even adding to the total of jobs that are available. We are given extensive figures to show how many men have been put to work on relief programmes. But we will never know how many of these men are being denied the privilege of working at their regular jobs or on new private projects because the threat of high taxation and the freezing up of bond markets is holding back normal business development. Many institutions in Canada have large buildings planned and will go ahead with them as soon as they can see light. But they will not be able to see light so long as our governments endanger the credit basis of the country by their unchecked spending schemes. It may indeed be that every government job created now causes a private job to disappear.

* * *

Bi-metallism Given No Support by Experts

THE report of the International Chamber of Commerce committee of silver experts can hardly be regarded by the numerous propagandists for bi-metallism as an en-

(Continued on page 2, col. 4)

BRITISH QUOTA EMPIRE WHEAT TO AID MILLING

May Force U. S. Milling in Bond Over to Canada

CONSUMERS PROTEST

High Tariffs in Europe Raise Bread Costs—Foreign Flour Market May Benefit

As the National Government in Great Britain had as one of its planks in the recent election the establishment of a quota compelling British millers to use a certain proportion of Empire-grown grain, Canadian millers are hopeful that the net result will be of benefit to them. One-half of all foreign sales of flour from Canada normally go to the British Isles, and the industry in Canada is therefore greatly interested in developments to come.

In conversation with a representative of The Financial Post this week, an outstanding miller expressed the view that the great business which in recent years has been built up in Buffalo and at other border points in the United States for the milling of Canadian wheat in bond will also be affected in no small degree by the new proposals if they are made effective. In his opinion the probable law giving effect to the quota idea would either force these mills to buy or build mills in Canada where there are already enough or cause them to make arrangements with Canadian mills to manufacture U. S. brands here. These Buffalo mills have been purchasers recently to the extent of 22,000,000 bushels of Canadian hard wheat a year. That wheat would still be bought but it would be ground in Canada in all probability.

Exchange Helps Millers

The Canadian millers have been given a considerable advantage over United States millers in foreign markets as the result of the drop in the value of the Canadian dollar as compared with the United States dollar. Solely the Buffalo millers have had an advantage as compared with other United States millers because their purchases of Canadian wheat have been made with the American dollar and as they have milled it in bond for shipment overseas there has been no duty to pay. However, the costs of milling are paid for in American money and offerings to Great Britain where the pound is depreciated lose in the contest with Canadian flour.

Quoting in Pounds

For some time there has been some difficulty in doing business between Canada and Great Britain because of the uncertainty as to the value of the British pound. A few millers quoted in American dollars because that dollar was at par with reference to gold but that occasioned considerable annoyance among British buyers. Others quoted in Canadian dollars and they did some business. Still others adhered to their old methods and have continued to quote in pounds, shillings and pence. These have had to pay all their costs and raw materials in Canadian dollars, and they stand to lose if the British pound depreciates further. The situation is being closely watched, however, and these millers have confidence that a stabilized quotation for the pound

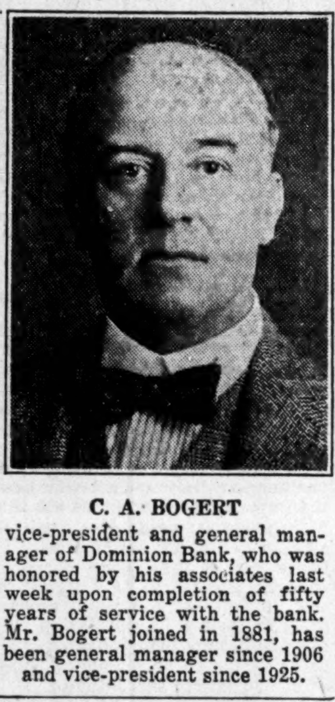
(Continued on page 2, col. 4)

Coming in The Post

Some interesting Canadian bond issues are being covered in articles appearing on the bond page (page 5) each week. Recently Bell Telephone bonds were analyzed; this week Montreal Power bonds come in for attention. Other bonds will be discussed from week to week.

The provinces are having their financial troubles now, due partially to general conditions but also very definitely to unchecked public spending. The Post is collecting some figures on the financial position of the different provinces, with an estimate of their current deficits or surpluses. The figures will appear soon, probably next week.

Fifty-Year Record



C. A. BOGERT

vice-president and general manager of Dominion Bank, who was honored by his associates last week upon completion of fifty years of service with the bank. Mr. Bogert joined in 1881, has been general manager since 1906 and vice-president since 1925.

GOLD IS SHIPPED, SAVES PROVINCES PREMIUM ON DEBT

Ottawa Comes to Aid as Maturities Arrive

From Our Own Correspondent

OTTAWA. — The frequent shipments of gold from Canada to New York testify to the determination of the Bennett Government not to permit anything in the nature even of a technical debt default to occur.

It is learned here that the bulk of this gold is being exported to pay debt maturities of the various provinces, and it is so working out that the Federal treasury is bearing the full burden, temporarily, at least, of the adverse exchange.

A few days ago the Alberta Government announced that means had been found whereby a provincial debt maturing in New York could be met without involving any loss due to the depreciated dollar. The amount of the loss, on this particular transaction would have been at least $770,000.

What happened, apparently, was that Ottawa put up the gold, dollar for dollar, Canadian currency, and the provinces exported the gold to discharge the obligation.

Mines Get Premium

In order to make gold available for this purpose, the Dominion treasury is buying the entire production of Canadian gold mines. In fairness to the mine operators, the Dominion pays the dollar discount. Otherwise, the producers would ship their gold to New York, convert into United States dollars, and bring these dollars back to Canada where there would be a premium in Canadian funds. The Ottawa Government pays the premium and renders unnecessary any shipment to New York.

The fact remains, however, that in assisting Canadian provinces the Dominion is making a handsome contribution to provincial budgets. It may be that some effort will be made to recoup the Federal treasury later on, but, in the meantime, provincial subsidies seem to be rapidly on the rise.

September currency figures indicate a sharp drop in gold reserves. On August 31, the gold reserves were $74,987,452.08, being $969,804.92 above statutory requirements. On September 30, the reserves were $70,411,896.30, being $678,164.02 above statutory requirements. In the same period Dominion note circulation rose from $141,615,347.19 to $150,336,415.19.

The explanation is that there was a decrease in that part of the note circulation which calls for gold support and an increase in the part which requires no gold reserve. The notes outstanding under the Dominion Notes Act fell from $109,115,347.19 to $104,836,415.19. The notes issued by the Treasury Board as a result of discounting securities presented to Ottawa by the banks rose from $6,500,000 to $19,500,000.

Large Shipments Made

Since September 2, according to the weekly record of gold imports into the United States, Canada has shipped $15,176,000 of gold into the United States or an average of approximately $1,700,000 per week. The highest amount was for the week ended November 4, when $3,600,000 was shipped.

Dom. Textile Activity Reflects Wheat Gains

From Our Own Correspondent

MONTREAL. — Improvement in wheat prices has found some reflection in the raw cotton market with a subsequent quickening of activity in the plants of Dominion Textile Co. The betterment in operations is partly seasonal, but it is felt that the strength in wheat has also played a part in the situation.

Despite a recent government estimate which increased the expected yield from the forthcoming raw cotton crop by some 1,500,000 bales to around 17,000,000 bales, raw cotton prices have held steady. The present prices, however, are still nearly 50 per cent below those prevailing at this time last year, an indication of the difficulties with which the cotton manufacturers are confronted.

There has been a gain in activity at the tire fabric plants of Dominion Textile Co., though demand for their products is still at a relatively low ebb. Some of the large tire makers, however, have entered the market recently after cutting their stocks to a low point.

Progress is being made with the company's installation of machinery to permit the manufacture of velveteens and corduroy and production from this division is expected to begin next month. A stock of cloth which has been subjected to the preparatory processes has been manufactured and the last portion of the new equipment is now in transit to the plant at Magog.

CELANESE SALES GAIN UP TO DATE

Profits Also Advance Despite Lower Prices

PLANT AT CAPACITY

Anticipate Good Sales Volume in Last Quarter—Dividends Are Covered

From Our Own Correspondent

MONTREAL.—For the first nine months of the current year, Canadian Celanese Ltd. reports the volume of sales to be well ahead of the corresponding period of last year.

Demand for the company's products has been well sustained in all areas, though the amount of business originating in the Western area has been limited owing to the stringency of economic conditions in the Prairies. With the advance in farm product values over the past few weeks, however, the situation has undergone a change and the management are expecting a resumption of buying on a more substantial scale.

Expect Good Quarter

The next quarter will play an important part in the final results of the company's sales activity for the full year. Buying of celanese and textile products in the last quarter is generally on a more substantial scale.

Demand this year has been stimulated to some extent by the lower price for celanese. While this has been beneficial in bringing about increased sales it has tended to limit profits.

Earnings during the first three-quarters of 1931 were ahead of the same period of 1930, but the increase did not bear the same relationship as the advance in sales volume. The net result, however, has been satisfactory and dividend requirements during the period were covered by a fair margin.

Working at Capacity

At the present time the big Drummondville plant of the company is working full time—24 hours a day. This is considered a fine showing in view of the fact that it was not long ago that the management undertook the expansion of manufacturing facilities, which was the means of greatly adding to productive capacity. The plant is in excellent shape and production is kept at a pace corresponding to the demand for the company's products.

Shipments are being maintained at a steady pace and inventories are limited to a day to day production basis.

Look For Increase

Provided that business in the last quarter of this year comes up to the expectations of the management, profits for the year should be appreciably ahead of the $1,254,530 reported in 1930. After deducting reserves for depreciation and contingencies, there remained a balance of $811,513 available for distribution on the capital stock. The company has no funded debt.

On the basis of share earnings, operations last year resulted in a profit of $9.02 a share on the preferred stock and 72 cents on each of the common shares. This was before making provision for arrears in preferred dividends.

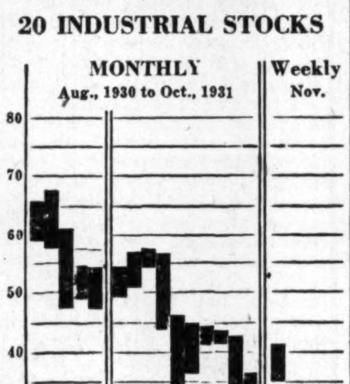
Market Interest Quiet

Market interest in this stock has been dull for some months back. In 1930 the preferred stock had a price range of between 51 and 71. This year it has touched 65, that being the pegged price on the Montreal Stock Exchange. It has been as low as 59 this year.

The common stock, not having the same attractions as the preferred, has not been active marketwise. The price range last year was between 17 and 5 while for 1931 it has ranged from 12 down, the pegged price being 6½.

Stock Market

20 INDUSTRIAL STOCKS



MARKET RECORD

Industrial Stocks	High	Low
Week of Nov. 10	41.4	35.8
Week of Nov. 3	36.3	34.5
Month of Nov., 1930	55.0	47.8
8 Bank Stocks		
Week of Nov. 10	216	216
Week of Nov. 3	216	216
Month of Nov., 1930	248	242
10 Public Utilities		
Week of Nov. 10	62	58
Week of Nov. 3	59	57
Month of Nov., 1930	85	79

CANADIAN CAR FAILS TO EARN SENIOR CHARGE

Operating Income Below Preferred Stock Dividends

STRONG FINANCES

Balance Sheets Show Strong Liquid Position Held Throughout Past Year

From Our Own Correspondent

MONTREAL.—Financial returns of Canadian Car and Foundry Co. for the fiscal year ended September 30 last are not as encouraging as had been generally expected.

Toward the end of March last, it was reported that for the first five months of the then current fiscal year Canadian Car had on its books around $10,000,000 worth of business and, further, that on the basis of $10,000,000 to $11,000,000 of work the company could cover dividends on both its preferred and common stocks.

Expected Good Report

At the beginning of May last W. W. Butler, president of the company, dispatched a letter to shareholders wherein he stated that during the first seven months of this year "we have already booked a substantial amount of orders." He further stated that the company still had five months of its fiscal year ahead of it and on this account he felt that the results for the full year's operations would be satisfactory to the shareholders.

The financial statement showing result of last year's operations can hardly be considered as "satisfactory," from the point of view of earnings.

Conservative Policy

The management of this company is known for its conservative policy in reporting earnings. The business of Canadian Car is cyclical in character and on that account it has been the aim of the executive to lean to conservativeness in reporting profits in years of good operations. To that end the company has put away large reserves, kept its property in first class shape and maintained finances in a strong liquid condition.

Preferred Dividend Unearned

Contrary to expectations, the annual report for last year shows that the preferred dividend was not earned. The income account for 1931 shows earnings from operations and interest on investments totalling $811,432. Depreciation charges of $250,000 and income tax reserve of $50,000 left a balance of $511,432 available for distribution on the capital stock. Dividend requirements on the preferred stock totalled $525,000, so that on the basis of operating profits as officially reported, the company failed to meet this charge by roughly $14,000.

The preferred dividend was covered by the expedient of transferring $250,000 from inventory reserve. Consequent upon this action there remained a balance available for the common stock dividend.

Comparative Income Accounts

Income statement for the past three years, in the manner reported by the company, follows:

	1930-31 $	1929-30 $	1928-29 $
Profits	x896,785	3,104,867	3,922,113
Int. earn. ...	164,646	143,011	......
Total	1,061,432	3,247,878	3,922,113
Deprec.	250,000	402,000	402,000
Balance	811,432	2,848,878	3,520,113
Taxes, etc. .	50,000	250,000	250,000
Balance	761,432	2,595,878	3,270,113
Interest	......	2,759	264,211
Net profit .	761,432	2,593,119	3,005,905
Pfd. divid. ..	525,000	525,000	525,000
Balance	236,432	2,069,119	2,480,902
Com. divid. .	640,150	640,150	147,100
Surplus	*403,718	1,427,969	2,233,802
Prev. bal. ..	6,458,765	5,030,795	2,796,993
P. & L.	6,055,047	6,458,764	5,030,795

x—After transferring $250,000 from inventory reserve not now required.
*—Deficit.

Strong Liquid Position

The balance sheet continues to show the company in a strong liquid financial position, but with a moderate decline in working capital, which can be almost solely attributed to the writing down of investment values.

During the year $221,676 was spent on plant and properties, bringing that account up to $25,079,700. The amount deposited with the Royal Trust under the Workmen's Compensation Act was increased $6,000 to $116,000. Inventories have increased to $1,971,491 from $1,695,967. Accounts receivable, less reserve, stand at $2,033,142, up from $834,605.

Call Loan Eliminated

One of the most notable changes in the balance sheet is the disappearance of call loans of $1,750,000 shown in the 1930 report. Dominion of Canada bonds held are down from $2,243,692 to $2,135,290, while miscellaneous investments have fallen from $787,181 to $741,660. Cash on hand totals $360,030, compared to $858,928 at the end of the previous year.

Working Capital Lower

Total current assets aggregate $7,338,806 as against current liabilities of $793,389, leaving a net working capital of $6,545,416. This

(Continued on page 2, col. 4)

Ottawa Gets Overtures, For U.S. Trade Treaty

No Encouragement Given Yet But if Concessions Can be Had, Ottawa Prepared to Bargain

From Our Own Correspondent

OTTAWA.—Disturbed by the tariff retaliation of almost every country in the world, the United States Government is said to be considering the abandonment of high tariffs, and the negotiation of trade treaties, carrying lower tariffs.

This information has reached Ottawa from observers sent to Washington to follow trends of fiscal policy. In an unofficial but quite positive way, it has reached the Canadian Government through diplomatic channels.

It may be said that such a treaty with Canada would be among the first objectives of the new Washington trade policy. There would be nothing perhaps resembling the 1911 reciprocity treaty, but a carefully selected list of tariff items in both countries, in which reductions would not injure the manufacturers of either.

No Encouragement Given

As far as Canada is concerned, it may be stated authoritatively that very little encouragement has been given to the Hoover administration. The Ottawa Government has watched low tariff development south of the boundary with great interest, but has in no way pledged itself to any modification of the so called Canada First policy.

Behind the scenes, however, it seems reasonably clear that the present Canadian Government will be prepared to bargain with the Republic in matters of tariff, would lower some of the existing duties in return for valuable advantages in the American markets.

As the situation is developing, it looks very much as if the Republican administration may revolutionize American fiscal history by coming out for mutiple tariffs, instead of a single tariff. Something approaching the Canadian tariff may be proposed—a preferential, and intermediate and a general tariff. A strong suggestion of such a course was reported in The Financial Post two weeks ago, and unofficial but entirely reliable sources of information at Ottawa confirm it.

Call Off Depression Is Feeling in West As Sentiment Veers

Remarkable Gain in Cheerfulness as Troubles Turn Out to be Less Serious Than Anticipated

By Our Western Editor

WINNIPEG.—From Winnipeg to Calgary and Edmonton there has been a remarkable change of sentiment in the past few weeks, and a degree of cheerfulness now exists which has not been matched in many months. If the depression were purely psychological, as many of our friends to the south have been accustomed to declare, the Prairie Provinces would be prepared to call it off right now. The prospect of distribution of many million dollars extra from the wheat crop is only one of the influences which is now making itself felt. More fundamental is the correction in the wheat situation which is taking place, creating a favorable outlook for the production of wheat in the future. Instead of feeling that the world no longer wants its wheat the West begins to feel that growing wheat for export is still a sound business and one that the country can continue in with some degree of confidence.

There are other factors also which enter into the picture. Manitoba, which is accustomed to account herself reasonably sure of a fair amount of rainfall, suffered severely from drought this year, although to a much smaller extent than Saskatchewan. Dryness persisted late into the fall, except in the northern part of the province, and apprehension was widespread as to prospects for next year. But the latter part of October saw copious rains. Farmers had plenty of time to do their fall plowing, and the result is that probably never have Manitoba's acres gone into the winter better prepared. In the north, rains delayed harvesting to some extent but there was compensation there in the fact that yields turned out to be much better than expected.

Even South Feels Better

Southern Saskatchewan has still much to wish for, but conditions are so much better than appeared to be the prospect at midsummer that there is a great deal of thankfulness. The drought, which had existed in many areas for three years and was so severe as to give a large part of the country the appearance of a desert, was not relieved in time to produce a cash crop, but rains came in time to produce a great deal of feed. While some livestock was moved north, and some feed from the north was moved south, the south country on the whole developed practically enough feed to take care of its own needs. That made the whole problem of relief for the dried-out districts much less serious than had been feared.

Less Relief Needed

In addition, many farm families were discovered to have more resources than had been anticipated. A very complete relief organization was set up, which anticipated having to supply food, feed and fuel to a very large part of the population. Actually, however, the total number of families applying for relief has so far been only about half the number anticipated, and while the cost of farm relief in the province will run into the millions, it will probably be less than half what had been originally expected. Then, too, the attitude of farmers applying for relief has been encouraging, not only in the desire of most of them to sign notes but in the evidence of belief that they will be able to pay them off. The district affected, it must be remembered, had to a large extent, up to three years ago, been those of heaviest wheat production in Western Canada and many farmers, left with-

(Continued on page 2, col. 5)

Lake Shore Capital Not to be Altered

Lake Shore Mines is not considering a change in its capital structure, Harry Oakes, president of the company, told The Financial Post this week.

Rumors have been prevalent that the company had under consideration a change. This rumor probably arose from the knowledge that Mr. Oakes has an interest in the Kirkland Townsite Mines and Kirkland Hudson Bay Mines. It was rumored that these two companies would be merged with Lake Shore and that this merger would necessitate a change in the latter's capital structure.

Mr. Oakes says that the officers of Lake Shore have not even considered such a step.

General Steel Wares Cuts Operating Costs

Changes instituted during the current year in manufacturing, selling and distributing departments of General Steel Wares Ltd. have resulted in substantial savings to the company which are estimated at over $500,000 per year. These savings have offset to a considerable extent the decreased business which has been experienced in common with other industries and which is due to causes largely without the company's control. Despite savings made, however, the company is not expected to show any improvement in earnings over 1930 when bond interest was not covered.

During the eight months ended August 31 the company experienced a decrease in dollar volume of sales of some 23 per cent as compared with the corresponding period of 1930. This was, in part, due to drop in prices and unit volume of sales did not show the same decline. The first eight months of the year, however, are not fully representative since peak sales come in the fall months and improvement was shown in both September and October with prospects for November stated to be good. Goodwill of the large dealer organization has been strengthened and this, together with increased efficiency of operation, is expected to favor the company when general business conditions improve.

Current position is regarded as satisfactory with accounts receivable and inventories somewhat lower than at the end of 1930. Collections are somewhat slower than in 1930 but, in view of existing conditions, are holding up well.

During the past few months branch warehouses at Edmonton, Regina, Saskatoon, North Bay, Hamilton, Windsor, Ottawa, Quebec and Halifax have been closed, service being maintained from warehouses in other centres. Distribution in Toronto and Montreal has been centralized. Plant and equipment has been maintained and where new business warranted, some capital expenditures have been made.

MASSEY-HARRIS LOOKS TO 1932 TO BE BETTER

Sustained Wheat Price Rise May Encourage Farmer to Buy

EXPENSES ARE DOWN

Bank Loans Are Reduced—Slight Increase in Activity is Expected This Winter

Recent increases in market prices of wheat are giving a marked degree of encouragement to Canadian agricultural implement and machinery companies. They come too late to increase the revenues of companies like Massey-Harris Co. and Cockshutt Plow in 1930 but executives feel that, if prices are sustained, farmers will embark on their seeding programmes next spring with more confidence that their efforts will be rewarded.

It is therefore not until 1932 that implement companies can hope to benefit in great measure from the improvement in price already shown. The price levels during the coming winter and at the time of sowing in the spring of 1932 will have the most important effect on the psychology of farmers and therefore in consequence on the programmes and results of farm machinery companies.

Is Now on Good Basis

Massey-Harris has successfully completed its programme of drastic economies throughout its worldwide organization. The company is now in a position to stand a prolonged period of dull business and its situation has been improved somewhat during the course of the present year. Earnings, of course, cannot be conjured out of the blue and production cannot be expected to be increased materially so long as there is continuance of market conditions which lead farmers everywhere to turn over every five-cent piece twice before letting it go.

It is not expected that there will be much reduction in the item of $29,000,000 in bills and accounts receivable as collections have necessarily been slow under existing conditions. With farmers buying as little as possible the inventory situation will not have changed greatly from the $21,933,879 shown a year ago.

Bank Loans Down Again

Bank loans, however, are understood to have been considerably reduced. Total bank loans on November 30, 1930, almost reached $8,000,000 and it is understood that when reorganization began last spring this had increased to a total between $11,000,000 and $12,000,000. In the meantime this item has been reduced to a point where it appears probable that on November 30, 1931, there will be little, if any, advance on $8,000,000.

A slight increase in activity of production is anticipated by Massey-Harris Co. during the coming winter and 1932 programmes will be decided by the condition of farmers and the rapidity with which collections are made and present inventories moved to the ultimate consumer.

Progress May be Slow

Recent trade agreement and a growing friendliness in commercial relations between Australia and Canada is expected to work out better for the company in connection with more than $3,000,000 in receivables, cash and bonds which it had last year in Australia.

In the meantime those who started buying Massey-Harris stock in the hope that rising wheat prices would change the situation for the company overnight are too sanguine. When a sharp fall in

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WHEAT MARKET HIGHLY NERVOUS AFTER ADVANCE

Transition Period Ahead as Governments Shift Burden

From Our Own Correspondent

WINNIPEG.—As the result of the very rapid advances of recent weeks wheat markets are now in a highly nervous state, susceptible to influences from either side. There is a consensus of opinion that improving outlook in the wheat situation justified substantial improvement in prices, but this is coupled with fears that advances may have been too rapid to be sustained without considerable reaction.

The fact that there are a number of the traders in the market who are willing to cash in on profits if convinced that the upward movement has temporarily run its course is an element of weakness, possibly compensated by the fact that others are waiting for recessions for a chance to come in.

Both Governments Active

From a technical standpoint a most important factor is the presence of the Dominion Government and the United States Government in the market through the central selling agency and the farm board. The trade believes that the former has to a very large extent disposed of its actual wheat but is a very substantial holder of futures, and that the latter, although apparently out of the futures market for a considerable time, is now assuming an important position there as holdings of wheat in commercial positions are liquidated, in order to prevent congestion of channels. What either has done is not actually known, but trade opinion has to be taken account of.

Essentially wheat trade has entered a transition period, necessarily more or less prolonged, during which the share of the market previously carried by the two Governments must be transferred to other shoulders. Not until the transfer is fully effected can the course of markets be fully responsive to actual conditions.

Coarse Grains Bullish Factor

On the bull side there is possibly no greater present argument than the behavior of the coarse grains markets. While currently wheat prices are not very far from those which prevailed a year ago, barley is at twice last year's price, oats practically 25 per cent higher and rye practically 50 per cent higher. Nevertheless some export business in these grains is being worked, an indication that European stocks of such grains, still burdensome a year ago, no longer offer cheap wheat substitutes. World wheat shipments at over 18,500,000 bushels last week are back at an encouragingly high level, after a previous week which was light, at 4,000,000 bushels less. North American shipments exceeded 10,624,000 bushels, a remarkably high level, and clearances from Canada accounted for 5,000,000 bushels of this. Further information is necessary to determine the exact percentage of the business in Canadian wheat, since concurrently Canadian wheat is going from United States ports and United States wheat from Canadian ports.

On the bearish side there is the fact that Australian yields seem likely to be above the average, so that total production will not be down quite so much as acreage reduction seemed to make probable. The advance in the United States, coupled with low hog prices, may reduce the amount of wheat fed to livestock, and may have stimulated some late planting of fall wheat which otherwise would not have gone in. In addition, trading in southern markets has undoubtedly been discounting a very general opinion that United States winter wheat yields may be decidedly low, and, however just that opinion may turn out to be, it rests as yet upon an uncertain foundation.

Argentine Important

Recent reports indicate some frost damage in the Argentine, to an extent as yet uncalculated, but it must be admitted that the crop there has already passed most of the perils of its growing season. The situation there is likely to have a decided influence, possibly a preponderating one, during the next few weeks. On the whole it would appear that bullish factors have received ample note of late, and that the market has discounted improvements in the fundamental situation which will take some time to be fully effective, so that to sustain further advances in the immediate future, new strengthening influences would have to appear, of which the most important would be large world shipments.

Any improvement in Oriental purchasing power from the change in the silver situation might be highly significant.

Crude Rise Affects Gasoline in Canada

Though Canadian companies calculate that their costs are up nearly a cent per gallon on gasoline with the rise of 15 cents a barrel in the cost of crude oil in the United States taken together with the lowered purchasing power of the Canadian dollar in paying for the crude and transporting it to the Canadian border, no action has yet been taken in the direction of further increasing gasoline prices in Canada. With costs closely figured the matter has been under consideration, however.

Adjustments of valuations of gasoline for duty purposes from various producing areas of the United States, as announced last week, have taken into account recent crude advances. Protection is still considered vital by Canadian companies in view of the fact that 12 major oil companies in United States lost $45,000,000 in the first half of 1931 though selling 200,000,000 gallons more gasoline than in the same period of 1930 when net profits of $22,000,000 were shown.

New Westminster Port Active

It is expected that over a million tons of shipping will have used the port of New Westminster by the year's end. Up to October 1 there have been 224 ships entering the port as compared with 219 for the corresponding period of 1930. During the entire year of 1930 there were 297 vessels using the port with a net tonnage of 994,637.

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LIVESTOCK MEN SEE LITTLE HOPE FOR LOWER DUTY

Withdrawal of Plea by U. S. Feeder Interests is Disappointment

From Our Own Correspondent

WINNIPEG.—Much regret is felt in livestock circles over the news from Washington that the Lancaster Livestock Exchange had withdrawn its application to the United States Tariff Commission for a reduction in the duties on stocker and feeder cattle.

Before the duties on such cattle were increased to two and a half and to three cents a pound respectively, farmers in the United States, and particularly in Iowa and in Pennsylvania, were accustomed to import large numbers of Canadian cattle for finishing in their feed lots. Two years ago the number of such cattle sent to the United States was a quarter of a million in one year, while this year it will probably not be one-fifth of that number.

Producers of range cattle in the western states have felt themselves to be benefitted by the tariff, but the growers of corn, and commercial feeders have resented the cutting off of a business they had usually found profitable. The development of cattle trade with Great Britain this year was largely due to the closing of the United States market to live cattle, for without the duty such cattle would have found a more satisfactory outlet to the south.

Hopes Shattered

Livestock interests here have been encouraged to think that sooner or later the corn and feeder interests in the United States would prove stronger than the range interests and would secure a lowering of the tariff, and when the application of the exchange at Lancaster, which is the principal centre for Canadian cattle entering the United States at Buffalo, was made, there were hopes for its success. Withdrawal of the application is taken to mean that western range influence is still so strong that there would be little chance of success at the moment.

With a good corn crop in the United States, with beef there comparatively scarce at the present time, and with a prospect of rapid decline in the production of hogs in the United States, due to prevailing low prices, it is still possible for there to be a strong demand from the south for Canadian feeder cattle, even in spite of the duty, within a comparatively short time.

WINNIPEG FIRMS NOW EMBROILED IN MILK WAR

Crescent Creamery and City Dairy Clash With Independents

From Our Own Correspondent

WINNIPEG.—A milk war is now raging in Winnipeg.

The two larger producers, Crescent Creamery and City Dairy, in each of which there is a public investment interest, have for some time had agreements with the producers of milk adjacent to the city, to which also other distributors have adhered, and the price from distributors' wagons has been considered as being in fair relation to those prices. Producers have been guaranteed the agreed prices on specified quantities of milk. On excess quantities producers have been entitled to a price based on the churning value of cream in their milk, a price which is generally lower than that given for whole milk to be sold.

Lately the situation has been disturbed by the sale of whole milk by independent producers to distributors outside of the agreement at prices considerably below the contract price, and considerable quantities of such milk have been distributed through chain stores at prices decidedly lower than the prices which wagon distributors found it necessary to charge, although the latter have been cutting their prices, while at the same time maintaining their contract prices to producers.

Two Possibilities

Such producers may find it necessary shortly to accept lower prices if they are not to see the business of producing and handling milk for distribution in the city pass largely into other hands. On the other hand the situation may be entirely temporary, for a mild fall and late rains have continued pasture growth to an unusual extent, and have given a milk flow much in excess of ordinary for this time of year.

Any improvement in butter prices might also result in the diversion of more cream to butter manufacturers, instead of, as is essentially the case now, forcing larger consumption of retail milk by reduced prices to consumers.

MacPhadyen and Co. Open Montreal Office

From Our Own Correspondent

MONTREAL.—K. A. MacPhadyen and Co., members of the Standard Stock and Mining Exchange, Toronto, has opened a Montreal office, connected by direct private wires with Toronto and New York. Mr. MacPhadyen, the head of the firm, which specializes in Canadian mining securities, has been actively engaged in mining engineering activities in Canada for many years.

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Rubber Substitutes Claim Interest Here

By research and invention in the United States, new products to take the place of or supplement raw rubber are apparently on the eve of development. This may have important reactions on the future of English, Dutch and United States companies engaged in the growing of rubber trees in the Tropics. It will also make more important and more searching the quest in research and test departments of Canadian tire and rubber companies to find those materials which alone or blended will give the best results in tire and rubber manufacture.

Considerable attention has recently been given to the success attending years of experiment made by the late Thomas Edison into the possibilities of the goldenrod as a source for raw rubber. From the scientific standpoint it is stated that success has been achieved. Commercial success has yet to be demonstrated.

Synthetic Rubber at Last

On the heels of these reports comes news that E. I. Du Pont-De Nemours & Co. has developed a new synthetic rubber for which the primary raw material is acetylene which requires only coal and limestone for its production. The only other primary raw materials used are salt and water. It is now constructing a plant at Deepwater, New Jersey, for the manufacture of the new product on a commercial scale. The new rubber will be called "Duprene."

Du Pont officials think that because of its unique properties the new product will replace natural rubber for many of its present uses and will also fill a number of industrial needs that natural rubber has been unable to meet. It is not expected to displace the natural product for the manufacture of tires, but in the event of a national or world emergency it is believed it would be a satisfactory substitute for practically all of the present uses of ordinary rubber.

It is stated that the new rubber is much more resistant than natural rubber to the swelling action of gasoline, kerosene and other solvents that are notoriously harmful to rubber. It is also more resistant to oxygen, ozone and many chemicals that attack rubber. It can be vulcanized by the application of heat alone, whereas it is necessary to add sulphur in order to vulcanize natural rubber. Another important feature is that an artificial latex can be made from chloroprene.

BRITISH QUOTA EMPIRE WHEAT TO AID MILLING

(Continued on page 10)

will come sooner than at first was expected.

In Europe where quotas have been established for some time, particularly in France and Germany, bread prices have risen out of proportion. Prices of oats, wheat and other products within the tariff lines have been somewhat high and protests against the exclusion of cheaper foreign wheat are beginning to have effect. Some foreign wheat is now being admitted by arrangement, and it is hoped by shippers here that growing demands for cheaper bread will bring a lowering of tariff walls. This will probably come first in wheat but may affect flour later on if domestic millers in these countries do not get their prices lower.

CANADIAN CAR FAILS TO EARN SENIOR CHARGE

(Continued from page 1)

compares with $7,173,852 at the close of the 1930 fiscal year.

There has been a slight gain in deferred charges to $115,670.

On the liability side of the balance sheet capital stocks outstanding remain unchanged.

Among current liabilities is a new item of $200,000 for bank loans. It is stated that this loan has been liquidated since publication of the report.

Accounts payable and payrolls total $464,389, or slightly over half of that reported in the previous statement.

Reserves show an increase from $9,147,425 to $9,156,740 due to the setting up of additional depreciation. Premium from sale of ordinary shares remains unchanged, while operating reserve has been cut from $719,000 to $478,771.

Surplus now stands at $6,055,047, against $6,458,765 a year ago.

Book Values High

In his remarks to the shareholders, W. W. Butler commented upon the strong liquid position of the company and stated that the book value of the fixed assets represented sound value and were equivalent to $25 a share on the entire capital stock. At the same time the net working capital amounted to $10 additional per share of capital stock.

MASSEY-HARRIS LOOKS TO 1932 TO BE BETTER

(Continued from page 1)

wheat prices in 1920 and 1921 cut down purchasing power of farmers, especially in Western Canada, it took Massey-Harris Co. three or four years to get back into profitable operation. Its move back to profitable operations was shown for three years because its deficit was decreasing but after that operations became rapidly more profitable. In the present crisis Massey-Harris Co. now has an advantage lacking a year ago and that is that its expenses have been cut to what appears at present to be the minimum. It is on a good competitive basis for the period when the farmer once more enters the market.

Progress may be slower than 1931 towards profitable operation on a large scale because all farm machinery manufacturers in Canada have large inventories on hand. The farmer will probably be offered goods on a very attractive price basis on this account for some time to come.

NATION'S BUSINESS

(Continued from page 1)

couraging document. The report seems to be based upon the logical assumption that silver must be dealt with primarily as a commodity. No international conference on silver, such as has long been urged, is proposed by the experts but they do suggest co-operation in the sale of silver between the large American producers and the government of India. Further suggestions made are as follows:

"First—That governments suffering from a scarcity of gold may use silver as a backing for currency notes while not fixing any ratio between gold and silver prices.

"Second—That governments restore subsidiary coinages to pre-war fineness within the limits of their national laws, which would, the experts believe, do much to revive confidence in the value of silver throughout the world.

"Third — That silver producers should on their own account organize research to devise new uses for silver throughout the world, with special attention to discovering a method to prevent tarnishing."

These suggestions are merely offered for further study. It will be noted that they do not include any proposal for the world-wide bimetallism that has been widely urged. They do not propose any scheme for vast silver loans to China or for raising the price of silver by fixing its value in relation to gold.

With a normal rise in the price of silver the metal will probably drop off the front pages. The influence on world trade of its price decline has been grossly exaggerated. In this respect it is significant that the experts declare that the fall in the price of silver has not been more than a contributory cause of China's troubles. "Indeed," they say, "China is the one country where prices in daily life have varied least."

* * *

Where is Report on Radio Combine?

MORE than one year ago the Federal Department of Labor announced an investigation, under the Combines Act, into the radio manufacturing industry.

Since that announcement there has never been any indication of the progress of the investigation, of whether or not a report has been made. There have been many rumors, and these have invariably indicated that the investigation disclosed the existence of a combine, and that up to recently the prices charged for radio tubes were rather higher than might be justified.

The procedure in these cases, it is understood, is to follow a complaint of a combine with an informal investigation. This informal, or non-public enquiry, usually results in a report which lays the foundation for a more sweeping and public investigation. That is, if the informal enquiry reveals the presence of a combine. If not, of course, the matter usually is regarded as ended.

In the present case, there is great curiosity in the business world as to the outcome of the informal investigation which, presumably, has been completed. This report must show the existence of a combine or the reverse, and it would be in order for Hon. Gideon Robertson, minister of labor, to issue the document or a statement indicating the progress that has been made.

If there is no illegal combine, it is hardly fair to the radio industry to leave it under a cloud of suspicion. If there is a combine, then action should be taken.

CALL OFF DEPRESSION IS FEELING IN WEST AS SENTIMENT VEERS

(Continued from page 1)

out cash resources at the end of three years of poor crops or crop failure, had formerly been among the most substantial farmers of the country and even yet might have their land unencumbered and be comparatively free of debt. Farmers there have confidence in ultimate recovery of conditions, although it must be stated that the drought cannot yet be said to be broken. Heavy rains took place during the late summer, but the ground is now very dry, and substantial precipitation before another growing season is required.

Some Abandoned Farms

In parts of Southern Saskatchewan there has been a certain amount of abandonment of farms, in most cases the holders moving to the north. This move is accepted with equanimity, the belief being that the drier parts of the open plains require farms of larger area than has been the average in the past, and farms abandoned are expected to be absorbed into larger units.

North Saskatchewan had good crops this year, in some places remarkably good. In the vicinity of Prince Albert, for example, much more wheat was grown this year than ever before, both because of favorable weather, and because the clearing of recent years is now showing up in production figures. With the arrival of new settlers the work of subduing wild land there is expected to continue.

Heavy Yields in Alberta

In Alberta, total crop production this year gave a very fair average. It was distributed unevenly, for while parts of the drier south were nearly as bad as southern Saskatchewan, districts from Red Deer north, and particularly in the close vicinity of Edmonton had extraordinarily heavy yields. Optimistic persons from Edmonton will tell you of 50 bushel yields being frequent in certain areas. The more conservative will insist that fifty bushel yields were not actually common, but represent specially well prepared yields and will insist that 40 bushel yields should be taken as representative of the very good districts. Threshing was delayed by rain in those districts and some damage was done to the grading of wheat. But, at the same time, farmers were prevented from selling their wheat at the lower prices of the early season and deliveries since the rise in price have been very heavy. Thus in spite of the low prices some farmers are having a more prosperous year than they have known for some time. Edmonton business men are very cheerful over the outlook, and express the belief that their city is to be one of the favored spots of Canada this year.

In the south they are less discouraged over this year's small yields than might be expected. Southern Alberta has seen dry cycles before and one result has been the moving out of many farmers and the resulting consolidation of farms into large units. In Lethbridge one is assured that the coming of the combine, eminently suited to the dry farming area of the south, enabling much larger farms to be operated by one farmer, has changed the outlook entirely. Farmers can get by with very small yields for a number of years, and expect to profit largely in the years of good rain-fall when yields are heavy. In the irrigation area farmers growing sugar beets and alfalfa, and giving plenty of attention to livestock, are said to be doing well. Conditions in the Lethbridge Northern Irrigation district, where the farmers, after bonding their land for an irrigation scheme, were somewhat slow to adopt correct irrigation farming practices have been somewhat less satisfactory but are said to be improving. Lethbridge itself has an air of prosperity and an amount of business going on which confirms the claims of its business men that conditions are fair.

Calgary is Confident

Alberta's poorest crop area this year is tributary to Calgary, although some of the district area had fair to good yields. Farmers in that district are taking note of the fact that their production costs per acre are now on a lower basis than ever before and point out that with average yields they will be able to get along satisfactorily on lower prices than were formerly thought necessary. In Calgary itself, in spite of the small amount of crop money in circulation, and disappointment over ventures in oil, there seems to be a general spirit of confidence in the future.

In all provinces the districts growing coarse grains for market have been encouraged by the substantial rise in prices of such grains. Low livestock prices are regretted but here again lowered costs of production are taken account of. Even the drier districts found that stock did well this year and grass partly made up for its scarcity by carrying an extra amount of nutriment. Pastures have continued productive until late in the season. The livestock districts, generally speaking, were those of fairly good rainfall this year and in addition, livestock farmers have been impressed with the advantages they have in supplementary sources of income and the ability to keep down operating costs.

Morale is High

Among farmers generally there is high degree of realization of the troubles which both labor and business are experiencing and the tendency to think of agriculturists as being exploited by other classes has decidedly lessened in recent months.

All told, the morale of the West is encouragingly high at the moment, amazingly high when compared with the general state of feeling a few months ago. Problems of debts and tax payment remain serious, but even in respect to those there is confidence that a much more satisfactory working out will result than was formerly believed possible.

DAIRY PRODUCTS 1930 OUTPUT OFF

Was 10½ p.c. Below 1929 in Value—Volume Higher

Final figures for 1930 of the production of dairy factories in Canada give the total value of output for that year as $126,623,532, or 10.44 per cent below the total of the previous year. Physical volume showed a satisfactory increase in all lines, but this was more than offset by lower prices.

Of the total value produced 45 per cent was contributed by creamery butter, 14 per cent by factory cheese, 8 per cent by concentrated milk products, and 33 per cent by miscellaneous products, which include milk and cream sold as such, ice cream, and so forth.

Creamery butter output, valued at $56,670,504, was 14 per cent lower than in 1929, factory cheese, at $18,089,870, was not quite 16 per cent lower; condensed and evaporated milk was only 4½ per cent lower in value at $10,039,369, while miscellaneous products were less than 4 per cent lower at $41,823,789.

Among the various forms of concentrated milk a notable increase was shown, both in volume and in value, in the production of skim milk powder. Output of evaporated milk, which constitutes approximately half the total value in this division was only slightly lower in value than in 1929, although 6 per cent greater in volume.

Imports of dairy products during 1930 declined 3.6 per cent in value to $12,975,208 while exports were down 31.8 per cent at $19,361,231.

Sask. Crop Sowings, 1931 Totalled 21,746,000 Acres

Preliminary statement of acreages sown to the principal crops for Saskatchewan in the spring of 1931 as compared with the sowings for the harvest year 1921 has just been released by the Dominion Statistician in connection with the 1931 Dominion census.

The figures are as follows, those for 1931 being subject to final corrections.

Crops:	Acres 1931	Acres 1921	Inc. %
Wheat	14,775,047	11,684,292	26.5
Barley	1,366,092	419,893	225.8
Oats	4,368,735	4,860,202	*10.1
Rye	510,562	274,564	86.
Flax	492,168	369,371	33.2
Mixed grains	20,165	5,089	296.2
Cultivated hay	171,538	18,740	815.4
Potatoes	41,732	35,701	16.9
Total	21,746,039	17,667,852	23.1

*Decrease.

Geological Survey Compiles Reports

Field work in connection with the geological survey service in Canada is over for the year, all parties having returned to Ottawa to prepare their reports. Additional information respecting Canada's untouched mineral wealth will follow from these compilations, several of the groups having devoted themselves to the acquisition of data in that connection.

Form Chamber of Commerce

A Canadian-Latin-American Chamber of Commerce is being formed in Montreal, at the instigation of Dr. Jorge A. Gonzales, consul-general for Colombia. The membership will likely be about 200, to begin with, of business men interested in trade with Latin America.

Expect Vancouver Port Record

The port of Vancouver expects to set a record in grain shipments this year. Last year's shipments from this port totalled 74,154,053 bushels, or 35 per cent of the entire movement of the Dominion.

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New Brunswick Woods Activity

The cutting of Christmas trees in New Brunswick for shipment to the United States and other markets is now general. The work is done in such a way as to weed out, rather than deplete the conifers in the forest areas. The shipping of the trees will begin three or four weeks hence.

Ship Canned Goods to China

A trial shipment of B. C. canned clams, prepared by a Saanich company, has gone forward to Hongkong in a test of the Chinese market for this commodity. Operating at Sidney, B.C., the company put out 800 tons of clams last year and is finding a growing market for the B. C. product.

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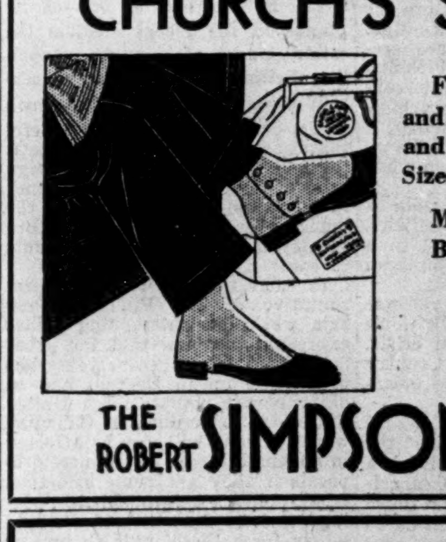

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Truck Manufacturers See Opportunity for Railways

Head of Canadian Automotive Body Warns That Highway Transportation Should Not be Given Blame for Rail Difficulties

By J. L. STEWART
General Manager, Canadian Automobile Chamber of Commerce
(Tenth Article in Series on Highway Transport and Steam Railways)

Members of the Canadian Automobile Chamber of Commerce are concerned, as are all other citizens, with the problem of the railways of this country, for it is evident to everyone, whether interested in railway or highway transportation, that we cannot have sustained prosperity unless the railways are so organized, or reorganized, as to earn their capital charges.

There is no wish on the part of the automotive industry, or even of that part of it directly concerned with commercial transport, to influence public opinion in such a manner as to add to the problems of the railways. No one who has given any thought to the question can fail to see that the situation of the railways is serious. But that problem will not be solved by attempting to fix the entire blame on highway transportation. Legislation which strangled highway transportation might help the railways, but their fundamental problems would remain.

Not On Opposite Sides

It should not be thought that the railway companies and the manufacturers of highway transport equipment are on opposite sides in this discussion. Sir Henry Thornton, chairman and president of the Canadian National Railways, said as recently as last March that "highway transportation should be, and maybe is, an adjunct to the railway systems. There is room for co-operation between the two methods of transportation, the highway method to work as a feeder for the railways." This statement would seem to favor a policy of development of highway transport by agencies owned by or affiliated with the railways.

In the United States there is violent disagreement between railway executives as to the ultimate effects on the railways of the development of highway transport. But at least one system, the Pennsylvania, has made considerable progress in co-ordinating the two methods to the advantage of both. The Pennsylvania's plan, and the results of its operation so far, have been described already in some detail in The Financial Post so it is necessary merely to touch on it, at this time. Briefly, it is that the Pennsylvania Railroad has invested in trucking companies. Freight is carried short distances by the trucks and longer distances on the rails. Steel containers which are lifted by cranes from truck to flat car and vice versa eliminate the multiple handling of goods.

Profitable Service

The Pennsylvania, according to the testimony of one of its vice-presidents, J. F. Deasy, has received a satisfactory return on its investment in trucking companies. It has, moreover, been enabled thereby to eliminate profitless train operation of a purely local nature.

Some students of the Canadian railway situation aver that the container system for utilizing both trucks and railways in conjunction with one another is not practicable in Canada because of our sparse population. Yet it would seem that the experiment in the United States is worth careful study before it is discarded as wholly impracticable, at least for the more thickly settled parts of central Canada. It is noticed that the Pennsylvania in some instances uses these containers as ordinary box-cars—in other words, it is a system which can be gradually adapted and does not involve a costly and revolutionary change in equipment.

It has been repeatedly stated, in discussing the motor transport question in the United States, that the railways of that country do not make a profit on the short-haul, less-than-carload shipments, and that therefore they should not be seriously concerned over the loss of this business to the highways. The object of the Pennsylvania's venture, at least, was to reduce terminal expenses and to give the railroad the benefit of the straight-line haul on goods turned over to it by the trucks at terminal points.

Equitable Rates Urged

In this country there does not seem to be the same agreement that small freight shipments are the least profitable. It is widely known, of course, that Canadian freight rates on grain from western points are lower than corresponding rates in the United States and it has been suggested that losses on this business in the past have been offset by excessive profits on the miscellaneous short-haul traffic, a substantial proportion of which has gone to the highways.

It is beyond the scope of this article even to attempt to discuss the highly complex question of railway freight rates for different distances, territories and commodities. But from the point of view of the truck manufacturer, owner and user, it is important that railway freight rates be adjusted equitably between classes rather than that there be restrictive and discriminatory legislation against highway transportation in order that, for financial and political reasons, an unscientific railway freight tariff can be maintained.

Highway transportation has grown rapidly for the good and sufficient reason that highway transportation fills a need. The convenience of such methods of shipment would have built the business to considerable proportions even if there had not been a differential of rates in favor of the highways and against the railways. There are many problems confronting the truck owner and the governments which build the highways for the use of the public. There is already a certain amount of regulation and supervision of the trucking business. There perhaps should not be more regulation than there is at present, but the supervision may be more effective and standardized as experience shows what is necessary in the public interest.

It is quite commonly asserted without any adequate evidence that the commercial vehicles are not paying their fair share of the cost of building and maintaining highways and that this assumed fact constitutes unfair competition for the railways.

At present it can be neither proved nor disproved that the trucks are not paying their fair share of the cost of building and maintaining highways. Before an equitable assessment can be determined it must be decided by the public authorities exactly what proportion of the capital cost of a highway should be paid by the users thereof and what proportion should be paid out of general taxation—obviously a highway enhances the value of abutting property.

Engineers have determined with some degree of accuracy what is the wear and tear on highways by vehicles of various weights and sizes. It should, then, be possible to find what is a fair division of taxation between the private passenger automobile and the commercial vehicle using the highway. But first, as already stated, it is necessary to decide what proportion of highway cost should be borne by motor taxation.

Gas Tax Distributes Costs

The five-cents-a-gallon gasoline tax which now is universal in the nine provinces is of some considerable value in distributing highway costs in proportion to highway use. Allowing for some differences in motors and eccentricities in carburettors, gasoline consumption is fairly and definitely proportionate to weight of vehicle and load. There also is a differential in license fees, according to the size and type of vehicle and the use to which it is put. It may never be possible to determine with mathematical or scientific accuracy exactly how much each vehicle should be assessed for the building and maintenance of highways but, as has been shown in previous articles in this paper, the buses and trucks are paying substantial sums. It is not likely that owners of these vehicles will object to equitable adjustments in fees and taxes. What they will ask is that they be not overtaxed merely because other transportation agencies see their continued operation as a menace to those other agencies.

The Manitoba and Ontario Governments in the current year began more closely to supervise the operation of trucks on the provincial highways. In Manitoba a complete trucking tariff was put into effect on May 1, and has proved of material assistance in stabilizing the business there. In Ontario the first step was to impose licenses for public commercial vehicles, dividing them into five classes ranging from common carriers to trucks owned privately by shippers and farmers, dairymen and cattle raisers. The fees are not onerous but the taking out of cargo insurance is made a condition to the issuance of the license. Unless, as is improbable, there is a change of policy on the part of the Government, there will be closer supervision over these carriers as time goes on. The effect will be to eliminate the financially unstable from the business. This may result in stabilizing rates to a large extent but it also will improve the service.

The eventual outcome of regulation in the public interest will be that there will be fewer companies in the business, but each will be larger and stronger, perhaps, than any now existing. It is inconceivable that the railways ever will regain all the business which has been lost to the motor vehicles, for it is obvious that the motor vehicle has found a legitimate place in the scheme of things, The railways can share in the development of this business by adapting to Canadian conditions some such plan as the Pennsylvania Railroad has in operation in its territory in the United States.

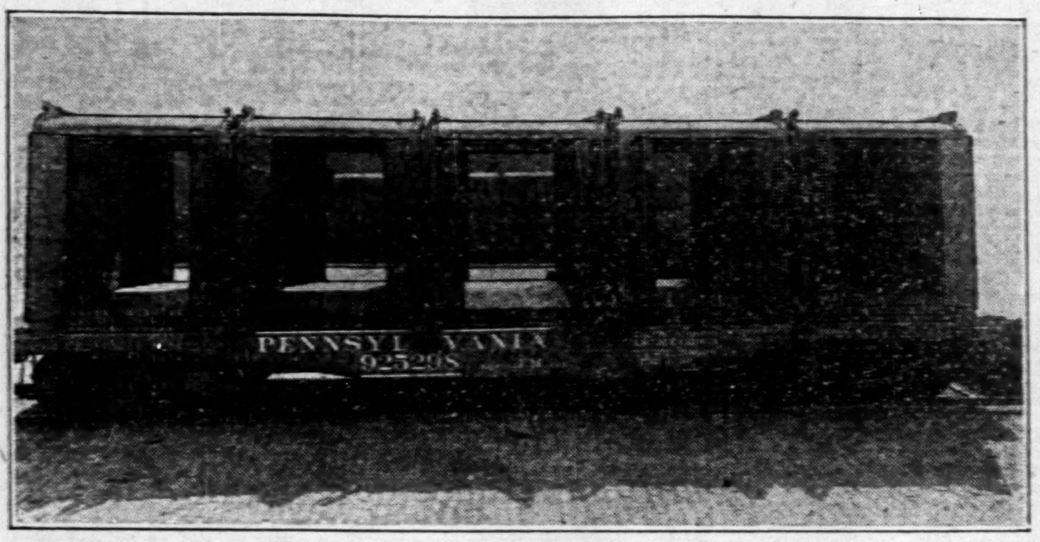
In any discussion of the trucking question it should be constantly borne in mind that only a small proportion of the trucks in use are engaged in inter-urban transport. There were, as at the end of September, 63,000 trucks licensed in Ontario, of which only 3,491, or less than 6 per cent, were licensed as public commercial vehicles. Although Manitoba and Ontario have perhaps gone farther than other provinces in the matter of supervising inter-urban trucking, it is likely that all the provinces eventually will deem it advisable, in the public interest, closely to regulate this newer type of transportation.

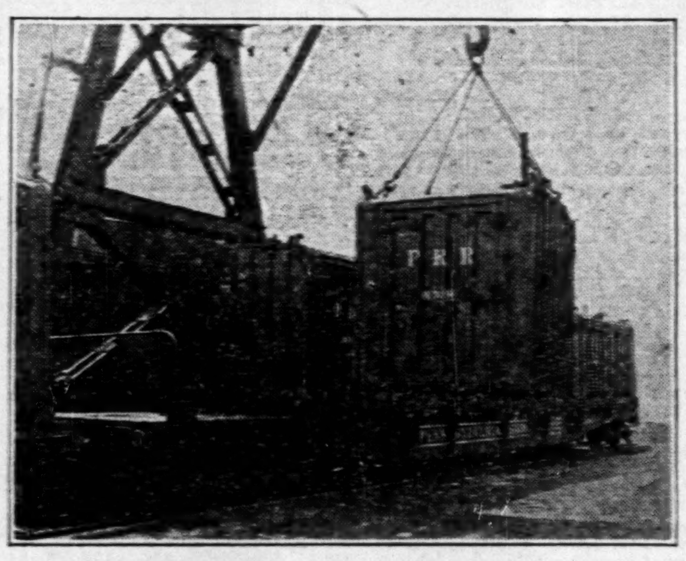
Buses Are Regulated

The motor bus business gradually has been getting on a sounder basis. This might have come about of its own accord, but it is a fact that in the two provinces mentioned, at least, there is close regulation as to rates, routes and financial and legal responsibility. Bus franchises are assets and it may be that eventually franchises may be issued for freight routes also.

With such a development it is obvious that the premier transportation agencies of the country, the railways, need to co-ordinate their activities with those of the highways. It would seem that in no other way can those railway problems created by the trucking situation be solved in the best interests of the railways and the public. Apparently it was along these lines that Sir Henry Thornton was thinking when he asserted that there is room for co-operation between the two methods.

How Big U. S. Railway is Solving Truck Problem





Here are the latest style containers in use on the lines of the Pennsylvania R.R. Co. This company has pioneered in this field and recently ordered 3,250 additional containers to extend this service to all important points on the system and facilitate small merchandise shipments formerly handled by truck. The top picture shows how the container car can be used as an ordinary freight car if necessary, while the lower picture shows a unit being lifted bodily by crane from a flat car to motor truck chassis.

Truckers Willing to Pay Share of Highway Costs

Secretary of Ontario Trucking Association Takes Issue With Express Company Attitude

By DONALD R. McQUARRIE
Secretary, Automotive Transport Association of Ontario

Editor, The Financial Post:

It is with a great deal of interest that I have followed your series of articles on the truck and railway situation. First of all, I would like to thank you for the very fair way in which you have handled what I fancy would be a very difficult subject.

However, I would like to take exception to some statements which appeared in article No. 3, dealing with the recent cut in express rates. A table is submitted showing the earnings of the Canadian express companies for the years 1919 to 1930. While this at first might indicate that the express business has been ruined by truck competition, a closer study would show that this is not the case. From their peak year of 1921 to 1925 their revenue dropped each year until the 1925 revenue was almost seven million dollars less than in 1921. Yet in 1925 the motor transport industry was in its infancy, and certainly had not seriously affected express revenue. From 1925 to 1931 this revenue industry grew very rapidly. When business slowed up in 1930, the revenue naturally dropped but transport companies experienced the same drop, and the express companies cannot blame the transport companies for that particular loss.

Says Trucks Quicker

In the same article Mr. McDonnell is quoted as saying "shippers generally prefer express service to truck service because express means . . . established place of business." I cannot agree with his statement that shippers generally prefer express service. I would like to point out that in most cases truck service is quicker than express.

His suggestion of the difficulty of locating individual truckers does not apply very much now. The individual trucker is fast disappearing or is operating through a transport terminal, which is able to give the public a very efficient service. The larger transport company maintains branches in all the important towns and cities along his route, and is able to and does give a more satisfactory service than express companies.

Willing to Pay Share

The question of part of the operating cost of trucks being absorbed by general taxes refers no doubt to the old war cry, that trucks pay nothing for the use of the highways. I believe that I gave you some figures which show what the trucks do pay. Whether it is the proper proportion, I do not know and I have never seen any figures which were supposed to show what their proper proportion should be. Truckers are quite willing to pay their share whatever that might be. However, while on the subject it might be pointed out that such improvements as the Welland canal, also come out of general taxes, are used almost entirely by another form of transportation which is a more serious competitor to the railroads. Yet we do not hear so much about steamships not paying their share of the cost. Why?

The question of rates is a very difficult one, and I am quite prepared to admit that motor transport charges are very unsettled. I fail to see, however, how the express companies (operating at a loss in 1930 at a very high rate) can regain enough business at a greatly reduced rate to compensate them for the cost of handling the extra business. It may result in injury to the motor transport business, but they are certainly not creating any good will for themselves by cutting rates down to one third on certain hauls from Toronto, but leaving the old rate on intermediate points.

The success of the railways is essential to the continued growth of the country and I believe that truck transportation is equally essential. Regulation of the motor truck to a greater extent may be required, but care should be taken that this regulation is not so stringent that it amounts to strangulation.

I feel that the solution of the problem must be some co-ordination of the two services, so that the shorter hauls for the l.c.l. shipments may be handled by truck, the railways confining their activities to the long hauls and carload shipments.

Yours very truly,
Donald R. MacQuarrie.

Ship Apples to South Africa

A shipment of Canadian apples comprising 7,650 boxes and 176 barrels is now en route to the Union of South Africa. It is hoped to develop this trade in the future with Cape Town as the main distributing point at the receiving end.

Ship 4,000 Tons of Sugar

A check-up of the twenty-eight experimental sugar beet plots in Manitoba shows that 58 carloads or more than 4,000 tons of sugar, have been shipped from this province to refineries. The beet grown is high grade, the sugar content being 19 per cent and the purity rating 81 per cent.

"Unfair" Use of Highways Detrimental to Railways

Canadian Pacific Express Head Outlines Problems Facing Rail Companies Through Alleged Abuse of Roadways

From Our Own Correspondent

MONTREAL. — Claiming that anything which unfairly interferes with the operations of the railways is contrary to the best interests of Canada, T. E. McDonnell, president and general manager of the Canadian Pacific Express Co., told the Lions Club of Montreal that the present abuse of Canada's highways is unfairly interfering with the Dominion's railways and is opposed to Canada's best interests.

Admitting that the railway express companies had to put in force a specific tariff to protect themselves against the unrestricted competition of the truck companies, Mr. McDonnell detailed some of the features of the truck-railway situation. One of the principal arguments put forth by him was that the users of the highways are not bearing their full share toward the maintenance of these arteries of travel and that the public, as a whole, has had to make up the deficit through taxation. This is an unfair situation in respect to the railway companies, which provide an essential service.

The address made by Mr. McDonnell reads in part as follows:

Every motor truck of any capacity is a potential transportation carrier of goods over the highways in competition with the railways. There has also been a tremendous increase in the number of trucks registered, and because of the large mileage of good roads which has been constructed, to a considerable extent parallel with rail mileage, we have these two forms of land transportation constantly in competition with each other.

Railway is Obligated

The railway is under obligation to serve all people and communities along its lines without undue discrimination, but in competition with the truck operator, who makes no pretence of serving all communities along the route over which he travels, soliciting only that traffic which seems desirable to him for haulage between points where he can, within reason, secure return loads. The truck operator is, generally speaking, free to vary his rates at will or to charge varying rates to different customers for the same service on the same day and, if he wishes, entirely ignore any demands for service from people or communities intermediate between the two extreme points on his route. The railway is at liberty to reduce its rates to meet competition of the truck operator, but only after it has filed its lower tariff with the Railway Commission at Ottawa.

Just so soon as the railway company files its reduced tariff to meet competition and before there has been time for it to become effective, the truck operator can learn of it and immediately reduce his tariff to such figure as he believes will hold the business and without telling anybody about his new tariff except the shipper from whom he hopes to secure the traffic. If the truck operator is in any doubt as to what the railway company's latest and lowest rate is, he can step in to the railway office and the railway is compelled by law to give him the information but if the railway company wishes to know what the trucker is charging in competition with it, the trucker is under no obligation to give the railway the information.

That is as I understand the present condition generally throughout Canada as to competition and I suggest to you such a condition is unfair to the railway and that it is not in the best interests of Canada as a whole.

Railways Are Needed

There are people today who will claim that railways are not necessary and that if the railways did not exist they would not be built today, and that transportation could be adequately performed over the highway. The best answer to that is to ask you to visualize what would happen to your own business if there were no railways: Would it mean that your long distance markets would go to someone else, and that your marketing activities would be confined to a territory perhaps not to exceed 250 miles, where the motor truck is said to have reached its limit of efficiency?

I ask you to visualize how efficiently and at what cost your necessities for carloads of coal, building material and other bulk commodities would be met, and also how efficiently and at what cost our exportable surplus of wheat would be moved to lake and seaports.

Having carefully considered those and other transportation requirements, I suggest you may agree with me that railways are even more important today in the economic life of Canada than they were in the days before confederation, and they were sufficiently important at that time to be the deciding factor as to whether there would be a united Canada.

Must Protect Interest

If you will agree with me that Canada needs rail transportation, then I am sure you will also agree with me that anything which unfairly interferes with the operations of the railways is contrary to the best interests of Canada, and I am suggesting to you that the present abuse of Canada's highways is unfairly interfering with Canada's railways and is opposed to Canada's best interest.

This is not an argument against good roads any more than it is an argument against good railways. If Canada needs both she should have both to the extent of her ability and willingness to pay for them; Canada has both and having and needing both also has the obligation of insuring fair play between them by prohibiting the abuse of either of them or the use of one to cripple the other.

Highway Financing Queried

Now let us briefly consider how highways are financed to see if we can find any answer to the question as to why sometimes highway transport services are performed for prices less than are necessarily charged for railway service:

Because of lack of official information it is rather difficult to learn how much capital has been put into highways. One conservative estimate has placed the amount at $800,000,000. Take 5% yearly interest on that capital investment and add to it the actual yearly cost of maintenance and supervision, then deduct from that total all of the registration fees and all of the gasoline taxes collected in all of the provinces, and we have an actual loss of about $100,000,000 each year. I think you know that there is only one place from which this $100,000,000 can come and that is from taxation. As the railways are Canada's largest tax payers, they must in addition to keeping up their own plant, contribute a large part of this annual loss of $100,000,000.

Heavy Carrying Charges

Let us take a set of official figures which does not require the use of any estimate: Referring to statistics contained in preliminary report on highway matters as issued by the Dominion Bureau of Statistics at Ottawa, covering highway receipts and expenditures of the federal and provincial governments during the calendar year 1930: There were capital and maintenance expenditures of $92,000,000. The provinces collected for registration fees of all kinds and for gasoline tax, $42,000,000. In one year the expenditures exceeded the receipts by $50,000,000. You all know that each province must also have spent considerable money in the administration of its highway department and in the policing of its highways, and that whatever amount was so spent should be added to the year's deficit of $50,000,000.

On Unsound Basis

If this means anything it must mean that our highway financing is not on a sound basis. To me it means that those who use these highways are not contributing sufficient money to keep them on a sound basis.

There is no present indication of any decrease in expenditures for highway purposes; in fact present activities may point toward an increase in such expenditures, but without sound planning to take care of the expense.

Contribution Inadequate

It would, of course, be unfair for anybody to claim that those who use the highways do not contribute substantially for the service they receive, but it is also true and I think desirable to point out that such contributions as they do make fall far short of what are required if provincial balance shees are to be sound. To the extent that contributions made by people who use the highways fall short of what they should be to finance them properly there is a subsidy which must be taken care of in general taxes or bond issues, and that subsidy is one of the principal reasons why the price of transportation on the highways is sometimes less than the price of transportation on the railways. Please note that I did not say the cost was less on the highways, because the cost is there but part of the cost is being paid by the general tax payer.

Having regard to the magnitude of the problem with which we are dealing, this is a rather brief outline of the nature of the competition which exists and of its effect on the national welfare.

Balance Highway Budget

The remedy for the financial side of this problem is a balancing of the highway budget. If expenditures are to keep up, the charges for the service rendered must be increased if an unsound financial condition is to be avoided. That is a legislative problem which must be solved by each province. The surest way to solve a difficult problem is for those charged with responsibility for solving it to understand the problem. Gentlemen like yourselves have considerable responsibility toward a proper solution of this problem because it is your elected provincial representatives who must deal with it.

I do not overlook the fact that it is possible for individual shippers temporarily to reduce their item of transportation expenses by taking advantage of such subsidized highway transport rates as may be offered. To those who have done that or intend to do it, I suggest a little careful thinking; I suggest that the temporary or fictitious reduction in transportation expenses may easily be found multiplied in the tax payment. I suggest that they think whether such action on their part is unfair to the other transportation facility on which they must depend for the bulk of their transportation.

(Continued on page 4)

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Utilities and Transportation

INTER. UTILITIES EARNINGS $922,590 FOR NINE MONTHS

Makes Allowance for 80 Per Cent Control of American Equities

AGGRESSIVE POLICY

Acquiring Public Utility, Chain Store and Investment Company Stocks on Large Scale

Reports from International Utilities Corp. indicate that 80 per cent of American Equities Co. stock has been turned in under the offer of International Utilities Corp. to purchase the assets of American Equities. They therefore release information to the effect that the combined net earnings of International Utilities Corp. and American Equities Co. for the year ending April 30, 1931, exclusive of stock dividends received and of profits or losses realized from the sale of properties and securities, amounted to $1,665,314. For the nine months ended September 30, 1931, combined income is given at $1,423,179.

This income was made up of $322,301 in dividends and interest received from subsidiaries, $464,762 cash received from other investments and $636,115 receipts from other interest. Deductions from this income are listed as follows: salaries, $284,340; interest, $52,777; estimated Dominion income tax, $46,176 and earnings of $117,296 applicable to minority interest in American Equities. This would leave net of $922,590, which is at the rate of $1,230,120 for all of 1931.

Many Canadian shareholders of International Utilities Corp. have been somewhat worried over the decline in market value of securities. The "A" stock went down to 14½ although there has been an encouraging recovery in the last month. A great deal of this decline was in line with the general fall seen in all markets when confidence was low in prospects for future business.

Made Large Profits

The future of International Utilities Corp. must be considered to be bound up entirely with the success of the management in purchasing and disposing of properties and of stocks of public utility companies. It was incorporated under Maryland laws in 1924 as a holding company for public utility properties. Its charter powers allow it to purchase securities for investment purposes and to construct, operate, manage and finance public utility and other properties. Past experience with this company has on the whole been quite encouraging. Under direction and management of the corporation over six years the Kentucky and Canadian properties were so developed that in 1930 the corporation was able to dispose of them at a profit of $11,900,000 realized partly in cash and partly in securities. The Kentucky holdings were sold to Middle West Utilities Company—an Insull property—and the Canadian holdings to American Commonwealths Power Corporation.

In the spring of 1926 International's investment in the Southwestern Utilities Corp. and the Southwestern Public Service, Inc., operating in Kansas and Oklahoma, was sold to the Union Gas Corp. at a profit of $440,166 net after Federal income taxes. The securities of Union Gas Corp. which were received as part payment for the stock of Southwestern Utilities Corp. and Southwestern Public Service, Inc. were sold during 1927 for cash and resulted in an additional net profit of $84,832, making a total profit received by the corporation on this transaction of $524,998 after allowance for Federal income taxes.

In 1928, the corporation participated with a group including American, English and Canadian interests in the acquisition of controlling interest in the British Columbia Electric Railway Co. Ltd. In the subsequent reorganization and refinancing of this company, a substantial profit was realized, and in its annual report for the year 1928, total profits from investments amounted to $971,000, which included the above transaction. This total extraordinary profit was more than sufficient to offset the write-off of the corporation's stock investment in the Buffalo & Erie Railway Co., originally acquired in 1924.

States Present Policy

International Utilities Corp., subsequent to the sale of its Kentucky and Canadian subsidiaries, inaugurated the following general policy:

1. Acquisition of a portfolio of diversified securities principally in the public utility field.

2. Purchase and subsequent cancellation of a substantial amount of the corporation's $7 Preferred and Class "A" stocks, thus eliminating securities having a fixed liquidating value of approximately $2,484,445 at a very substantial discount and consequent large reduction of fixed charges on a very favorable basis.

3. The formation of subsidiary companies for the purpose of concentrating its future activities in the following fields.

(a) The control and operation of public utility properties.

(b) Equity in chain-store securities, principally grocery divisions.

(c) Equity in investment securities companies where stocks of such companies were selling on publicly quoted markets at large discounts below known break-up values.

Makes New Start

Following out this plan, an initial investment was made by the corporation of $1,020,000 each, in the following subsidiary companies:

(a) International Public Utilities Corporation (in which company are presently held its utility properties in New Hampshire, New Mexico, and ice businesses in Virginia and North Carolina).

(b) International Stores Securities Corporation.

(c) International Shareholders Corporation (in which Company the Corporation's initial investment in American Equities Company was made).

In the case of the International Public Utilities Corporation and in connection with the acquisition of some of its properties, partial payment was made therefor through the medium of its Class "A" Stock on a favorable basis; so that in this manner the acquisitions were partially financed without either the use of cash or International Utilities Corporation securities with their then existing high call-prices and large dividend requirements.

4. Reclassification of its capital structure so that the management would be in a more advantageous position to acquire other assets and properties.

Public Utilities Lead

The company's shareholdings include 62 per cent in public utilities, 16 per cent in industrials, 16 per cent in investment companies and the balance in railroads, banks and government securities.

Dividend-paying common stocks as of April 30, 1931, took up 68 per cent of the total market value of the company's holdings of which 47½ per cent represent public utilities, 8½ per cent industrial common stocks and 10 per cent investment company stocks. Non-dividend paying common stocks and warrants took up 9 per cent of the total, convertible bonds 8 per cent of the total, preferred stocks 8½ per cent of the total and non-convertible bonds 5½ per cent of the total. The company's list of that date comprises a large number of prominent companies, especially public utility companies as well as some of the leaders in their lines such as the Borden Co. in the dairy field, Cities Service Co. in the natural gas field, U. S. Steel, Brazilian Traction, National Biscuit Co., United Fruit Co., Standard Oil Co. of New Jersey, North American Aviation Co., Westinghouse Electric, International Match Corp., F. W. Woolworth Co., New Jersey Zinc Co., Standard Oil of Indiana, St. Regis Paper, Oil Stocks, Ltd., and David Pender Grocery Co.

The three largest investments in the portfolio of International Utilities Corp. are first lien bonds, notes and first preferred stock of Dominion Gas & Electric Co., not included in the general list, and common stocks of Securities Corp. General, and Compagnie Centrale d'Eclairage par le Gaz. The securities of Dominion Gas & Electric were acquired in connection with the sale to that company of the former Canadian subsidiaries of International. These securities are part of senior issues against the former operating properties and are followed by a second preferred issue which represents a substantial junior cash equity. In the case of first preferred stock owned, a large proportion thereof is under contract of sale as well as a substantial block of 6½ per cent bonds which have been delivered subsequent to April 30, 1931.

P. M. Chandler has served as president without interruption since it was incorporated.

The company has considerable hope for its investments in Securities Corp. General, The Lebon Gas Co., and American Equities Co.

Consumers Gas Co. To Make Good Report

Consumers' Gas Co. report at the annual meeting on November 16, 1931, will once again sound well in the ears of shareholders.

No data has been released as to figures which will be shown in the report but the fact that the company reduced the price of gas early in 1931 was evidence that earnings and reserve were regarded as large enough to justify that action. A shrinkage in revenue was anticipated from this reduction in revenue but the extension of mains and feeder lines this year is expected to have made up the difference. Gas sales and number of customers have both increased by about 3 per cent while price of gas was reduced about 6 per cent.

CAN. NORTHERN STOCK CAMPAIGN GOES OVER TOP

Customers Subscribe for 5,014 Preferred Shares

From Our Own Correspondent

MONTREAL.—Canada Northern Power Corp. has successfully concluded its 4th customer-ownership campaign, with over 5,000 disposed of at a price of $107 a share.

The campaign, which was conducted by the Customer Ownership Co. of Canada, is regarded as convincing evidence of the faith of the people of Northern Ontario in the future outlook for their territory and in the further growth of Canada Northern Power.

Detailed returns show that subscriptions were received from 2,033 customers. About half of the stock taken up was paid for in cash and the balance will be paid for under the partial payment system, $10 a share at time of subscription and $10 a month on each share until the full amount has been paid.

Three Other Campaigns

Three other customer-ownership campaigns have been conducted by Canada Northern Power. In August, 1928, 1,387 subscriptions were received for 4,139 shares; in September, 1929, 1,539 subscriptions for 5,000 shares; and in September, 1930, 1,762 subscriptions for 5,059 shares. In each case preferred stock was offered at $107 a share. In each case payment could be made in cash at time of subscription or on monthly terms.

Increased gold mining activity in its territory has enabled Canada Northern to increase sales of electric energy and, at the same time, report larger earnings.

For the nine months ended last September gross income totalled $2,471,105 and operating expenses $789,842, leaving a net operating income of $1,681,263. This compared with gross revenue of $2,338,141, expenses of $765,637 and net income of $1,572,504 for the corresponding period of 1930.

Maritime Telephone Toll Traffic Up in September

From Our Own Correspondent

MONTREAL.—Maritime Telegraph and Telephone Co. reports a total volume of completed toll traffic for September last of 140,043 calls, which was an improvement over the previous month. There was a decided improvement during the month in the percentage of completed calls, the figure of 93.1 being very close to conditions considered normal.

In all there were 150,495 long distance calls during the month ended September 20 last. Of this number 140,043 were completed and 10,452 lost, making for a percentage of 93.1.

The percentage of completed calls for Class A exchanges was 92.0 per cent and for Class B exchanges 94.8.

QUEBEC PLANS CHANGE IN ACT AID RAILWAYS

Consider Scheme to Relieve Competition from Motor Vehicles

From Our Own Correspondent

MONTREAL.—Legislative action will be taken by the Province of Quebec to ameliorate "unfair" competitive conditions between the railways and motor buses and trucks.

During the discussion on the Speech from the Throne, Premier Taschereau stated that in the course of the present session, a measure will be brought down designed to bring about an improvement in conditions from the point of view of the railways.

The proposed legislation, according to despatches from Quebec, will involve, among other things, a readjustment of the series of systems under which the cost of highways, perhaps even of bridges, is borne.

May Revise Motor Act

It is said that duties under the Motor Vehicles Act will be readjusted to favor the man with the low-priced car. At present the rate is based on weight, which will likely be cut down under the present plan under study. Consideration may also be given to the $5 fee charged for drivers' licenses.

Tolls on bridges are also likely to come in for consideration, charges for buses and trucks to be on a basis having in mind the competition against the railways.

The government is also faced with the problem of increasing its revenue and it is likely that the amendments to the Motor Vehicles Act will bring about an increase in the gasoline tax, which now stands at five cents a gallon. It is said that other provinces also have in mind increasing the gasoline tax so that any move along that line by the Quebec Government would be anticipating similar action by other provinces.

In the Mail

Electric Rates in Montreal and Toronto

Editor, The Financial Post:

The article in The Financial Post reviewing a comparison made of electric rates in Montreal and Toronto, is of much interest, and the writer sees no reason to doubt the showing that the average rate in Montreal is lower than in Toronto. An independent investigation for the provinces as a whole, based on official figures, shows a considerably greater advantage than this to Quebec on the average rate for all electric services, but shows also that while Ontario uses a larger amount for light at a substantially lower rate than Quebec it uses a much less amount for power, at a much higher rate than Quebec. Furthermore, Quebec, in spite of its smaller population, uses more electric energy, both for all services and for power, and both in total amount and per capita, than does Ontario, so that Quebec excels in all but the supply of light. In the supply of cheap electric light, as distinct from power, the enterprise of Ontario has secured undoubtedly good results.

But, now, which is the most important to a community, cheap light or cheap power? Electric light costs about one per cent of the domestic budget and it is but a small percentage of the total expenses of nearly all business as distinct from industries. Electric power on the other hand costs an average of about 8 per cent of total production costs in general manufacturing, 14 per cent in pulp and paper industries, 23 per cent in electro-chemical industries and so on. Cheap power is therefore an immense aid to employment and to the general prosperity of a community. A little investigation will show that cheap power is vastly more important to the community as a whole than cheap light. In both provinces the use of electricity for power is many times that for light and the much greater per capita use in Quebec than in Ontario indicates that the low price of power has its effect.

The point it is desired to make, however, is this—the Montreal firm is quoted as saying that:

"Obviously the real cost of electric service in any community can be accurately computed only from the average rate covering domestic, commercial, industrial and public services."

and follows this by arguments in support thereof. This is indisputably true in a sense but it does not apply to the important sense. The important thing, as shown above, is that it is power as distinct from light that should be cheap (as it is believed to be in Montreal) and the average cost for all services does not bring this out. To demonstrate that an overall average may be entirely misleading consider the following hypothetical case:

Assume two cities A. and B. both charging the same rates for light and power but with a different division of load due to local conditions, that is selling different proportions for light and power, thus:

A:—	
25 units for light at 2.0c.	50.0c.
75 units for power at 0.5c.	37.5c.
100 units	87.5c.
Average price—0.875c. per kw.h.	
B:—	
10 units for light at 2.0c.	20.0c.
90 units for power at 0.5c.	45.0c.
100 units	65.0c.
Average price—0.65c. per kw.h.	

From this it will be seen that though B. charges exactly the same rates as A. its overall average rate is 26 per cent less than that of A.

Comparing two cities, therefore, the overall average rate does not indicate which is supplying the cheapest power to build up its industries, and it is submitted that this is the important point. Can the same Montreal authority tell us something about its average prices for power to large users?—it could do that without disclosing individual contracts and it would be interesting to see if Toronto would then show what it can do.

Ottawa,
Nov. 7, 1931. H. E. M. KENSIT

Public Utility Earnings

Winnipeg Electric

	1931	1930	Decrease
	$	$	$
September:			
Gross earn. ..	452,039	484,831	32,792
Expenses	328,236	346,851	18,615
Net earn.	123,803	137,980	14,177
Nine Months:			
Gross earn. ..	4,302,427	4,646,290	343,863
Expenses	3,039,129	3,245,370	206,241
Net earn.	1,263,298	1,400,920	137,622

SOUTHERN CANADA TERRITORY ACTIVE

Company Reports Industries Operating on Wider Scale

From Our Own Correspondent

MONTREAL.—Following its usual custom, Southern Canada Power Co. sent out a statement with the current dividend cheques covering a review of industrial activities in the territories served by its distribution lines. The report, which was dated October 15 last, states that local industrial activities are being maintained satisfactorily. Initial manufacturing operations in one case and expansion of existing properties in another, augur well for the future.

"In St. Hyacinthe," according to the statement, "the Hump Hair Pin Mfg. Co. of Canada is equipping its plant and will shortly begin supplying the Canadian markets and export market preferentially supplied from Canada. The management have stated that they will transfer to the Canadian company sufficient business to keep the plant operating at capacity as soon as the initial stages of production are past; the product will be equal in grade to that manufactured in their Chicago plant.

Granby Industry Expands

"At Granby, the Stedfast Rubber Co., manufacturers of Kafsted shoe linings and similar materials have increased their installation and equipment to manufacture additional lines.

"Your 24 merchandise stores have shown sustained, aggressive efforts throughout the period under review. This has been reflected in the satisfactory volume of sales effected under admittedly adverse conditions. Sales plans are continually formulated with the object of further improvements in this phase of your business, if you are in the market for electrical goods, we solicit your patronage.

"A modern lighting system with ornamental standards is being installed by the town of Marieville in its park.

Double St. Hilaire Capacity

"The capacity of the St. Hilaire substation is being doubled by the installation of new transformers and control equipment to cope with increasing loads in that district and particularly at the Beloeil Explosives plant of Canadian Industries Limited. A new line is being constructed between Beloeil and St. Bruno to provide for increasing demands. A distribution system has been constructed in the village of Adamsville, which is now added to the list of communities served by your company.

"It is interesting to note that increases in the capacity and extent of the distribution systems in the various communities, have gone ahead without interruption. In spite of prevailing conditions, your company has not curtailed its construction work and adequate provisions are being made to meet increased power demands."

"UNFAIR" USE OF HIGHWAYS DETRIMENTAL TO RAILWAYS

(Continued from page 3)

If it does mean higher taxes it may not represent any actual saving and who will deny that taxes are increasing.

It is not my purpose in the time at my disposal today to suggest any legislative formula. I believe there is one and that eventually it will be applied.

Meet Current Problems

Now as to that part of your president's request in which he asked me to describe efforts that are being made to meet this unfair competition: During the short time at my disposal I will confine my efforts to what the express companies of Canada are doing because I know about that.

When one starts out to meet competition it is important to know what the competition is. Earlier in my remarks I stated how difficult it is to ascertain from day to day what the truck rate competition is, because a truck transport operator is a good deal like a horse trader, to a great extent he can and does make his rates on the spot and in accordance with how the spirit of competition moves him at the moment. We can, of course, learn from some of the older established truck operators what their so-called standard rate is, but it is very difficult to learn what their favored customer rate is. However, to a very considerable extent we have developed information along that line and we find, as a general rule, that the truckers' rates are intended to secure the heavier traffic which moves constantly between points where he has a chance of securing loads in both directions. The cost of gathering, sorting, hauling and delivering the smaller parcels is too high to interest him and he very magnanimously leaves that job to the express companies.

The trucker gives a door to door service as well as the highway haul. To a considerable extent the express companies with their vehicles at both ends and fast trains in between are in a position to give a quick over night service in the trucking zone and it seemed to us we were well equipped to give the necessary service.

Issue Specific Tariffs

To the extent that we can discover what the competition is and to the extent that we can meet that competition without loss, we are doing so by issuing specific tariffs between specific points. We commenced this competition in the middle of August of this year and it has been extended throughout all of the provinces of Canada. More than 500 places in Canada already have the benefit of these tariffs. Already many millions of pounds of traffic have been recovered from the trucks and put back on the rails because the public preferred our service.

In a few instances shippers not altogether scrupulous or far-seeing, as good citizens should be, have attempted to use this situation as an opportunity to play the trucker against the express company for still further reduced rates, but I am very happy to say that condition is not general, and that in some of the instances where it did occur the unscrupulous shipper has been converted to the belief that it is in his own interest to play fair with transportation until such time as wise legislation can correct an unsound condition.

Protect Own Interests

We have been taken to task by some of the shippers for having reduced rates on certain traffic without reducing rates on all traffic by express, their argument being — if you can afford to carry some traffic at that price, why charge more for other traffic? The answer is very simple: We cannot afford to do it; we should not be asked to do it; we do it only as a matter of self protection pending such time as unfair and unsound condition is corrected by those whose duty it is to look after such things.

We have been taken to task by other shippers because of what they say are peculiarities and anomalies in these competitive tariffs, and the answer to that is that they are purely competitive tariffs issued specifically to meet a competitive condition. If the competitive condition is unreasonable, unjust or difficult to understand, the express company's tariff in order to compete is necessarily open to the same criticism, but the fault is not ours because the competitive condition is not one of our making, and not one which we should be asked to explain.

CONSOL. UTILITIES MAKES PROGRESS

Disposes of Gas Property Serving Area at Saranac

From Our Own Correspondent

MONTREAL.—Operations of Consolidated Utilities, successor to Municipal Service Corp. are being maintained at a satisfactory level. Earnings of the Huntingdon property, where a grain and lumber business is conducted, are reported as encouraging; the company's other property is the Amos Water and Power Co., a public utility organization at Ames, Que.

Various changes have taken place in the old holdings of Municipal Service Corp. Utility properties at Val Morin, and St. Adele have been sold, while the Mountain Gas Co. at Saranac Lake has also been dropped, leaving the Amos and Huntingdon companies as the sole properties of Consolidated Utilities.

Securities are Exchanged

Though all bonds of Municipal Service Corp. have not been handed in for exchange, it is stated that the majority have been turned in. There were $500,000 of 6 per cent bonds formerly issued; these have been exchanged for class "A" shares of Consolidated Utilities on the basis of 20 shares for each $1,000 bond.

Underlying the securities there is a sum of $75,000 of first mortgage bonds of Amos Water and Power Co. on which interest is being paid.

BOSTON LIGHTING ADDS TO INCOME

New Property Big Earner for New England Power

From Our Own Correspondent

MONTREAL. — Earnings of the North Boston Lighting Properties were included for the first time in the recently published nine months' statement of New England Power Association, a division of International Hydro Electric System.

These properties, which were acquired during the past summer, have aggregate assets of approximately $55,800,000 and comprise a group of nine companies serving an industrial section of northeastern Massachusetts. Included in the properties are seven steam electric generating plants with an aggregate capacity of 74,200 h.p., and three gas plants with a daily capacity of 14,575 thousand cubic feet.

The total output of electric energy of the properties in 1930 was 189,938,000 k.w.h.

Cover Wide Area

Supplying an area of 386 square miles with electricity or gas, or both, the North Boston Lighting Properties have a total of over 205,000 customers, of which 117,000 or about 57 per cent, are supplied with electricity. Among the larger communities served by the properties are Everett, Malden, Medford, Melrose, Winthrop, Revere, Salem, Peabody, Beverly, Haverhill, Gloucester and Newburyport.

Acquisition of the North Boston Lighting Properties marked another step in the growth of New England Power Association which now serves communities in Massachusetts, New Hampshire, Vermont, Rhode Island, and Connecticut, either directly or through wholesale contracts, with an aggregate population of about 3,000,000.

Canadian Pacific Railway Completes Branch Lines

From Our Own Correspondent

MONTREAL. — Canadian Pacific Railway has completed two new branch lines in Northern Saskatchewan territory, tributary to Prince Albert. The branch west from Nipawin, where the Canadian Pacific a few years ago completed a $1,000,000 bridge over the Saskatchewan River, has reached Henribourg where it connects with the Canadian National Railways branch going northward from Prince Albert. The C. P. R. has joint running rights over this branch.

The Meadowlake branch west from Prince Albert, which will ultimately connect with the Alberta Great Waterways Railway at Lac La Biche, has been completed as far as Meadowlake.

It is hoped to lay 20 miles of steel this fall on the third branch the company is building, one from the Meadowlake line to Medstead.

B. C. Electric Railway Appliance Sales Lower

From Our Own Correspondent

MONTREAL.——British Columbia Electric Railway, a subsidiary of B. C. Power Corp., reports gas appliance sales September last to the value of $7,430, providing an estimated annual revenue of $6,366. This compares with sales of $22,279, an estimated annual revenue of $9,360 for the same month last year.

Electric appliance sales September this year numbered 1,113, compared with 1,568 in September last year. The equivalent in kilowatts connected for September, 1931, was 415 and the estimated annual revenue $2,955. This compares with the 987 kilowatts connected and an estimated annual revenue of $7,696 in September a year ago.

Winnipeg Residents Favor Many Electrical Appliances

Winnipeg appears to be one of the most electricity-conscious cities in Canada judging from statistics recently published by "The Electrical World," which go to show why Winnipeg domestic consumers have a yearly average consumption of over 4,000 kw.h.

Out of 60,000 domestic customers 55 per cent are reported to cook on electric ranges; 40 per cent use electric water heaters; 100 per cent own electric irons; 45 per cent use toasters and vacuum cleaners, and 30 per cent have electric washers. Add to these the users of refrigerators, percolators, waffle irons, electric clocks, radios, fans, food choppers and drink mixers, and the high consumption rate is accounted for.

While this condition is attributed to "customer receptivity," up-to-date merchandising practices, and service, it is believed that the fact that domestic rates in Winnipeg are among the lowest in North America is in no small way connected with it.

To Investors in Canada

Experience has proven beyond doubt that funds invested in Canadian government and sound municipal bonds afford the maximum of security, income and convenience.

We shall be pleased to forward particulars of such investments.

Wood, Gundy & Company Limited

Toronto Montreal Winnipeg
Vancouver New York London, Eng.

Youth

The characteristics of youth . . . confidence and strength, vigorous growth, healthy outlook, future potentialities . . . should be looked for in the selection of an investment.

With these requirements in mind, we recommend,

McCOLL-FRONTENAC OIL COMPANY LIMITED

6% First Mortgage Bonds maturing Oct. 1st, 1949

Price at the market to yield about 7%
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Principal and interest payable in Canada; England and U.S.A.

NESBITT, THOMSON & COMPANY LIMITED

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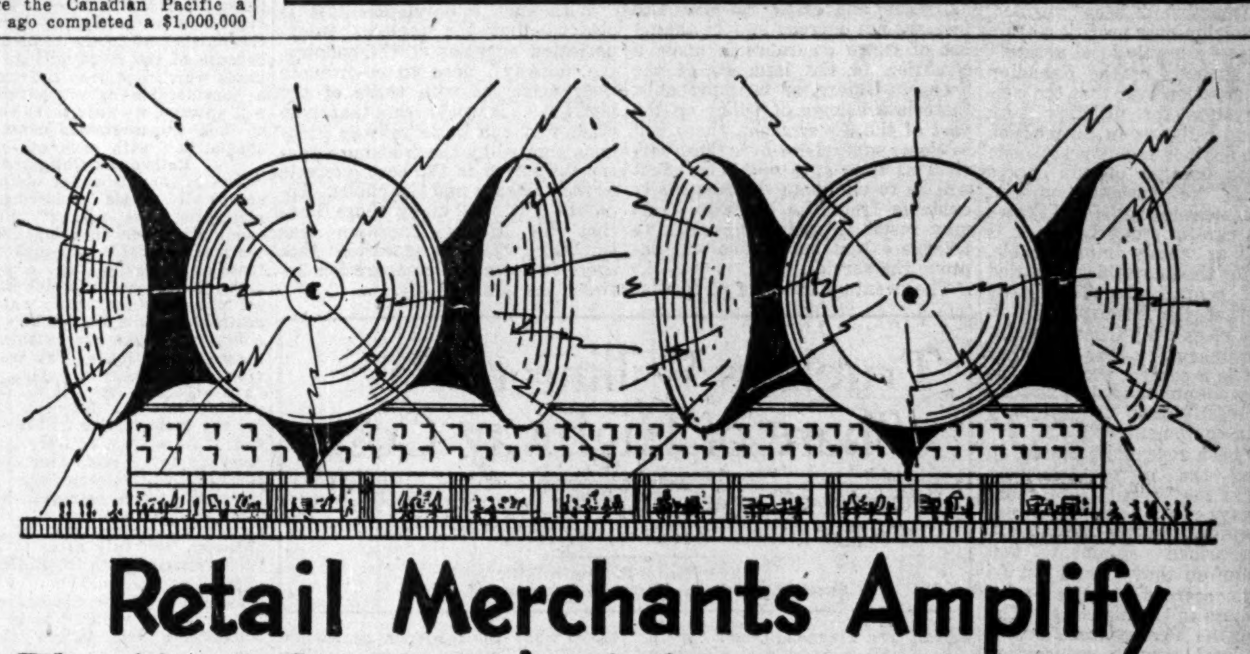

Retail Merchants Amplify The Manufacturer's Advertising Message

WHEN the selling of a manufacturer's product is taken up enthusiastically by retail merchants the latter virtually become rebroadcasters of the manufacturer's message in a manner that assures proper direction, sympathetic attention and a maximum of effect for a minimum of effort in reaching a large body of consumers.

The retailer becomes the microphone through which the manufacturer's message is amplified and directed to where it will do the most good. Such a voice is well directed and inspired.

Compared with it, the message which some manufacturers continue to send out in a hit or miss fashion, ostensibly to the consumer, becomes little better than a voice crying in the wilderness.

THE RETAIL STORE IS THE MOST EFFECTIVE MEDIUM THROUGH WHICH TO REACH THE CONSUMER — Here's part of the reason:—

The retail store represents the actual point of sale where a minimum of effort brings immediate action.

The retailer's recommendation or suggestion of a trial, carries more weight with the consumer than any printed matter can hope to do.

ARE YOU SURE THE RETAILER IS MOST EFFECTIVELY SELLING YOUR PRODUCT TO THE HUNDREDS OF CONSUMERS WHO ARE IN AND OUT OF HIS STORE DAILY?

Don't forget that the retailer is in the vanguard of the attack on sales resistance for the manufacturer's product. Has he adequate information about your line to use for ammunition?

The pages of good business publications offer the most direct and economical method of effectively reaching the retailer, and through the retailer — the consumer of your product.

We have a proposition of special interest to you under present conditions. Ask us about it.

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News of Investment Markets

DOMINION LOAN WILL BE OFFERED TO YIELD 5.17 P. C.

$150,000,000 New Issue Will Mature in 1936 and 1941

5 P.C. COUPON

Dealers Expect Campaign Will Start by November 23—Success Seems Assured

Immediate offering of $150,000,000 of Dominion 5 per cent bonds maturing in 1936 and 1941 is anticipated as The Financial Post goes to press. It is expected that the bonds maturing in 1936 will be offered at 99¼ to yield 5.17 per cent and that the bonds due 1941 will be offered at 99 to yield 5.13 per cent. Such details as are available are unofficial but are regarded as authentic. Public announcement of the new loan may be expected in a radio broadcast that will reach all parts of Canada and which will sound a keynote of patriotism which, combined with a comparatively high yield, is expected to result in successful placement of the issue.

Investment houses as a whole are not entirely prepared for an immediate offering of the new issue since no official statement has been made by Ottawa, and investment bankers as a whole have not been consulted. It seems probable, at the present time, that the bonds would not be offered before November 16 as Monday is generally regarded as the most favorable day to start the campaign. Offering might even be withheld until November 23.

It is said that many private investors are deferring commitments pending the offering of the new bonds and indications would point to a good demand from this type of investor. A yield of some 5.12 per cent on Dominion bonds over a short term is well above the average and careful investors are alive to the opportunity. A five-year bond would be especially attractive to many corporations at this time. Institutional investors are reported to be fairly well out of the market for new issues just now but many can, and will, respond to a patriotic appeal. No doubt is felt that the new loan will be well taken up.

The placement of an issue of $100,000,000 or more is no small task and will require the full co-operation of all Canadian bond dealers. Ottawa is said to have shown little regard for the opinion of investment houses as a whole although certain groups of houses have been called into conference quite recently. It seems probable, many think it essential, that a central committee representative of both banks and bond dealers will handle the campaign.

Larger Commission Likely

If the placing of the bonds is put on a competitive basis, as was the Conversion Loan earlier this year, there will be much duplication of effort which will hamper, in some respects, the efficiency which should attend the campaign. The possibility remains of the Government practically commandeering the services of the bond dealers throughout Canada. If this were done it is felt that the field could be covered most thoroughly with a minimum of effort and friction while the patriotic nature of the appeal would be more fully emphasized.

Commission payable to dealers for placing the new bonds will necessarily be higher than the ½ of 1 per cent paid in securing an exchange for Conversion Loan bonds. In that case the investor was not called upon to put up any cash, whereas the new loan will be entirely on a cash basis. Street opinion places the commission for selling the new bonds at from 1 to 1½ per cent and the higher rate is felt to be most nearly adequate to the amount of work involved.

Many Montreal Stocks Rise Above 'Minimums'

From Our Own Correspondent

MONTREAL.—Active trading over a broad list has lifted over 200 shares listed on the Montreal Stock Exchange above their minimum prices. Unusually heavy turnover in several stocks resulted in good gains while there were numerous transactions in other securities at pegged levels.

Montreal Power provided the greatest activity. In the week ended November 7, over 28,000 shares changed hands and prices were raised from the minimum of 38 to current levels of around 40. On Saturday, November 7, no less than 27,223 shares of Montreal Power were traded in out of a total of 53,361 shares traded on the Exchange.

Other stocks to show unwonted activity last week included McColl-Frontenac Oil Co., Canada Cement, Fraser Companies and Steel Co. of Canada which all broke away from their pegged levels in a heavy turnover. Brazilian, Massey-Harris and International Nickel, interlisted stocks, also came in for much attention.

Shawinigan, though actively traded in, has not yet risen above its minimum price, while National Breweries and National Steel Co. in a large number of transactions have also remained at pegged prices. Dominion Bridge, an old market favorite, rose fractionally in a substantial turnover, while Canadian Car preferred has for some time been selling above its pegged price.

Some of the lower priced issues have recorded substantial gains. Winnipeg Electric and Lake of the Woods are both in this category, both have jumped to nearly double their minimum price following increased market activity.

Other stocks which have swung upward include Consolidated Smelters with a gain of 21 points to 86, while Bell Telephone, B. C. Power, Gypsum Lime, Quebec Power, and St. Lawrence Paper preferred were among others to sell at higher levels.

C. I. CORP. BONDS ARE BOUGHT AT $60 FROM HOLDERS

Pledged Securities on Sept. 21 Amounted to 117 p.c. of Par

The Financial Post is in receipt of letters from many investors in various parts of Canada who have been approached with an offer of $60 for every $100 of par value of Consolidated Investment 4½ per cent collateral trust bonds Series "A."

Several weeks ago The Financial Post stated that the pledged securities which the company obligated itself to keep behind the bonds to the extent of 125 per cent in marketable value had, by reason of dropping markets fallen below the $18,000,000 or 125 per cent mark by $1,410,139.

A great many of those enquiring state that they do not wish to sell their bonds at $60 unless there is a great decrease in security. They hope that better times will bring a recovery in the value of securities held by the company and they would rather hold than sacrifice unless security has been badly affected.

Offered as Low as $51

Nominal price of these bonds a month ago was around $45 so that $60 is apparently a good offer when compared with recent sales. It is apparent, however, that on September 21 the pledged securities still amounted in marketable value to 117 per cent of the total issue of $15,000,000 of the bonds, or nearly twice the amount offered for the bonds. In some parts of Western Canada the sum offered has been as low as $51.

Investment List Not Published

The company has not published a list of its holdings and the proportionate amounts invested in each since it was formed early in 1929. At the end of 1930 the company had marketable securities amounting to $34,000,000 but the great fall in market valuations in 1931 rapidly reduced this total. On June 1 the company passed dividends on the preferred stock which was junior to these bonds and stated that there had been a considerable lessening of revenue from interest and dividends. It is probable that the offer to purchase the bonds at $60 will only proceed until enough have been bought to enable the company to re-establish the pledged securities at 125 per cent of the total outstanding. Without a full disclosure of securities held it is difficult to estimate the position of these bonds but they are evidently well protected and will be better protected when the agreed upon total of 125 per cent of bonds issued has been reached.

N.-A. Elevators Earns Interest Four Times

North-American Elevators Ltd. completed the first six months of the current year at October 31 with a gross revenue of $141,349 as compared with $126,774 in the correspoonding period of 1930. Operating and administration expense in the period just ended amounted to $55,816, leaving net profit of $85,533 available for bond interest, depreciation and income tax. Interest charges of $20,141 during the period were earned some 4.2 times. Net profit in the period was some $15,000 ahead of 1930.

Shipments of grain from the elevator during the first six months were about 65 per cent ahead of the same period in 1930. The elevator has handled a satisfactory proportion of full cargo steamers and is now almost entirely filled with prospects for the remaining part of the shipping season reported as good.

City Club Sale Terms Revised To Canada Bud

Duncan McLaren, president of Canada Bud Breweries Ltd., has offered to sell to Canada Bud Breweries Ltd., all issued shares of capital stock of City Club Breweries Ltd. at $156,165 which is stated to represent actual cost of the assets as purchased from the trustee in bankruptcy of Kormann Breweries Ltd. plus subsequent expenditures made and liabilities incurred. This offer includes the acceptance of mortgages amounting to $97,378 on the City Club properties and is held open until noon of November 26.

Previous offer of sale at $325,000, including mortgages, was accepted by directors of Canada Bud Breweries Ltd., but was rescinded at a meeting of shareholders held on October 28. This meeting was adjourned to November 25 and will be held in Toronto at the King Edward Hotel at 2.30 p.m. Shareholders may revoke proxies given for the first meeting.

Shareholders of Canada Bud Breweries Ltd., have been notified of Mr. McLaren's revised offer and have received a copy of Mr. McLaren's statement given at the meeting on October 28, details of which have previously been given in The Financial Post.

The statement of W. A. MacKenzie, vice-president of the company, is also enclosed.

New Managing Director For Libby Co. of Canada

The appointment of L. J. Taylor of Chatham as managing director of Libby, McNeill & Libby Ltd. of Canada, has been announced by officials of the company, effective immediately.

In this position, which is a newly created one, Mr. Taylor, who has been manager of the company's plant at Chatham, Ont., for the last eight years, will be in complete charge of all Libby activities, both manufacturing and selling, throughout the Dominion, including the company's branch houses in Vancouver, Winnipeg, Toronto and Montreal, with sales force covering all of Canada.

Canadian National Millers Elect Their Executive

From Our Own Correspondent

MONTREAL.—Following are the officers elected at the annual meeting of the Canadian National Millers' Association, held in Montreal:

Honorary president, C. H. G. Short, assistant general manager, Lake of the Woods Milling Co.; chairman, Geo. A. Macdonald, vice-president, Quaker Oats Co., Peterborough; vice-chairman, Thos. Williamson, vice-president and managing director, St. Lawrence Flour Mills.

Directors: W. A. Black, president, Ogilvie Flour Mills; R. R. Dobell, vice-president, Ogilvie Flour Mills; C. H. G. Short; Geo. A. Macdonald; Thomas Williamson; Charles Ritz, general manager, Robin Hood Mills; J. J. Page, general manager, Western Canada Flour Mills, Toronto; R. J. Pinchin, Copeland Flour Mills, Midland; J. A. McDonald; of McDonald & Robb, Valleyfield; D. C. MacLachlan, general manager, Maple Leaf Milling Co., Toronto.

D. E. Murphy remains as secretary.

Hull, Eng., Offers Her Facilities

The city of Hull, Yorkshire, England, is conducting a publicity campaign which reaches as far as Canada and the United States, drawing attention of industrialists to the advantages that city offers for the establishment of factories or as a convenient distributing centre. Booklets and letters are the media used.

Montreal Power Bonds Merit Consideration

Leading Canadian Utility System Has Continuous Record of Growth

(Second of a Series on Canadian Bonds)

"In spite of the world-wide depression the company is actually in a better position today with respect to gross and net earnings, finances, properties and prospects than at any time in its history." This statement, released on October 23, 1931, by J. S. Norris, vice-president and managing director of Montreal Light, Heat & Power Consolidated, brings added assurance during a time of stress as to the inherent soundness of one of Canada's strongest utility systems.

Controlling the electric light and power and gas services of Greater Montreal and surrounding districts, the corporation serves Canada's greatest metropolitan area which has a population of over 1,250,000 people. Montreal's position as an important ocean port, a dominant industrial and financial centre, is such as to assure a continuation of the growth in population which has more than quadrupled the population of the city in 1901. The fortunes of Montreal Power are closely linked with the future of Montreal.

Holds Dominant Position

While Montreal Light, Heat & Power Consolidated, as presently constituted, dates back to 1916, the constituent companies were formed and began operations early in the present century although one of the principal subsidiaries, Montreal Gas Co., has a history that will shortly extend back over a full century. A record of operations back as far as 1902 shows a continuous growth in the number of customers both for gas and for electricity and an increasing production of gas and electricity that has faltered but once, the period immediately following the war years, and then but slightly. Gross income of the company, however, has moved slowly but steadily upward despite frequent downward revisions of rates.

While the company has always held a dominant position in its field it has built up an ever increasing reputation for fairness and integrity both to its customers and to its shareholders. Reduction in rates for electricity which has been made on the average of once every two years, has brought the cost to the consumer to such a low point that the company is credited with charging the lowest average rates on the continent. Customer-ownership campaigns have been conducted since 1926 and stock offered in this manner has been over-subscribed each time. Within the past month the company has offered shareholders the opportunity of exchanging shares purchased in 1930 during a customer-ownership campaign for debentures of the company together with the privilege of converting debentures back into common stock up to July 1, 1937.

Provides For Future

Ample provision for future power requirements has been made. With present requirements for Montreal at around 350,000 h.p. the company controls an installed turbine capacity of some 325,000 h.p., purchases some 150,000 h.p., chiefly from Shawinigan Water & Power Co. and has 150,000 h.p. contracted for from Beauharnois on which delivery is to be started in 1932. Jointly with Shawinigan, the company controls United Securities Ltd. which in turn controls Montreal Tramways Co., which is one of the few large tramway systems on the continent to maintain its earnings position.

The funded debt of Montreal Light, Heat & Power Consolidated consists solely of first refunding and collateral trust sinking fund gold bonds authorized to the amount of $75,000,000 on which both interest and principal is payable in Montreal, Toronto, New York and London. The bonds bear a 5 per cent coupon but have been offered in two series, A and B, and have different maturities. In each case, however, the bonds are issued in denominations of $500 and $1,000 which may be registerable as to principal while fully registerable bonds may be obtained in denominations of $1,000 and multiples. The bonds of $500 denomination are difficult to obtain and have a certain scarcity value.

Details of Bond Issues

The series A bonds are dated October 1, 1926, and mature October 1, 1951, with interest payable April and October 1. Of an original issue of $30,000,000 there remained $29,051,000 outstanding at December 31, 1930, the balance having been retired through operation of the sinking fund which started October 1, 1927. Annual payments are sufficient to retire one third of the issue by maturity. These bonds were callable on 60 days' notice at 105 up to October 1, 1931, and are now callable at 104 up to October 1, 1936, and thereafter at a premium decreasing by 1 per cent for each subsequent five-year period to maturity. Montreal Trust Co. is trustee.

The series B bonds were issued to the amount of $5,000,000 in March, 1930, at 99½ to yield 5.03 per cent. This issue is dated March 1, 1930, and matures March 1, 1970, with interest payable March and September 1. The sinking fund commenced March 1, 1931, with annual payments called for sufficient to retire one third of the bonds by maturity. The series B bonds are callable at 105 to March 1, 1940; thereafter at 104 to March 1, 1950; thereafter at 103 to March 1, 1955; at 102 to March 1, 1960; thereafter at 101 to March 1, 1965 and thereafter at 100½ and interest on or before September 1, 1969.

Both series A and series B bonds are equally secured and have similar provisions. Both are legal investment for life insurance companies in Canada. The bonds are specifically secured by first mortgage and charge on real and immovable properties of the company; over 99 per cent of the issued capital stock of Montreal Light, Heat & Power Co., and Cedars Rapids Manufacturing & Power Co., certain bonds and shares of these and other subsidiary companies; $1,291,087 par value of common stock of United Securities Ltd., which as a holding company, controls Montreal Tramways Co. and Canadian Light & Power Co. Further security consists of operating agreements with its subsidiaries Montreal, Light, Heat & Power Co. and Cedars Rapids Manufacturing & Power Co. and power contracts with Shawinigan Water & Power Co.

Current investment opinion on the bonds of Montreal Light, Heat & Power Consolidated is reflected in prevailing prices. On November 10, the series A bonds, due in 1951, were quoted at around 102 while the series B bonds, due in 1970, were quoted at 101. At these prices the bonds give a yield of approximately 4.84 and 4.94 per cent respectively to maturity.

Believes British Pound May Retain Full Value

Although there is general expectation on both sides of the Atlantic that when Great Britain resumes gold payments it will be on a reduced valuation of the pound sterling, it is not at all certain that any such reduction of the value of the pound will take place, according to Poor's Weekly Stock Market Bulletin.

"People who expect a radical revaluation of the pound are forgetting that Great Britain's international position is that of a heavy creditor nation despite her recently having been a heavy debtor in the short-term field. Great Britain's investments abroad have been estimated at about four billion pounds, or in round figures, $20,000,000,000. These investments have been made in British money and the debts to Great Britain, at least, are largely payable in pounds sterling. If Great Britain were to revalue the pound on a $3 basis as some have suggested, she would simply cut down her own income from investments and make her debtors a present of nearly 40 per cent of the principal of the debts due her.

Hardware Trade Expects Higher Prices in Spring

Business men generally appear to be looking forward with more hope than they have for some time, says Hardware and Metal, Toronto. The hardware wholesaler stated that while his confidence in the future was increasing he did not look for any spectacular return to normal business, but a slow and steady climb, which might he halted at times by temporary set-backs.

His expectation is that hardware prices will firm up toward spring on account of a higher cost of raw material caused by higher basic prices and also the exchange of approximately ten per cent being paid on invoices from the U. S. for raw materials bought there. These factors would work their way through to the ultimate trade prices of manufactured hardware lines, he said.

Quebec's Water Power Lease Income Higher

From Our Own Correspondent

MONTREAL.—Hydraulic Services of the Provincial Department of Lands and Forests have issued a report covering Quebec's water power emplacements, consisting of emphyteutic leases which have been granted by the province from 1923 to April 7th, 1930.

The report shows that during these years 29 of the leases were granted to power companies covering most of the large waterways in the province, from periods varying from 60 to 75 years, mostly the latter.

The approximate capacity for the development of power from these leases amounts to 1,190,200 h.p., and from them the government draws an annual rental, apart from royalties which average 50 cents per h.p., of $225,460.

These figures include the Beauharnois lease, including the diversion granted, which is rented for $20,000 for the first five years and $50,000 for each year of the lease afterwards.

The majority of the leases are governed by a clause prohibiting the exportation of power outside of Canada.

Bond Redemptions

Bond Issues—	Rate	Due	Redeem.	Price
Dom. Glass Co. ...	*6%	1933	Dec. 2	110
Cascade Water Power	4½%	1940	†May 1/32	100
Interlake Tissue Mills	*6%	1935	Feb. 1/32	101
Maine & N.B. Electrical Power	*6%	1948	Jan. 1/32	107½
Northern Electric	*5%	1939	Dec. 1	105
Imp. Realty	*%	1945	Jan. 1/32	103
Foreign Issues—				
Kingd. of Norway	*5%	1967	Dec. 1	100
City of Oslo, Norway	5½%	1946	Feb. 1/32	100

*Called in part.
†Or before.

CANNED TOMATOES PACKED IN CANADA MAY GET INTO U. S.

Low Price and Fall in Dollar Offsets 50 p.c. Duty

When the United States Government advanced the tariff on canned tomatoes from 15 to 50 per cent it shut Canadian canned tomatoes out of the American market. Considerable interest, however, is taken in the situation now obtaining in view of the fact that standard canned tomatoes 2½'s are selling in Ontario f.o.b. factory at 60 cent a case whereas in the United States they are selling at 90 cents a case. The tariff of 50 per cent raises the cost of Canadian 2½'s to 90 cents f.o.b. factory in Ontario with duty paid and there is the added advantage given by the fact that the American dollar will purchase from 10 to 12 per cent more in Ontario than it will in the United States.

No great movement is reported as yet, as distributors are still buying from hand to mouth, but demand from United States would help to reduce the visible supply somewhat. In the United States the pack of tomatoes, corn and peas this year is under normal consumptive requirements, although there were large carryovers from the previous year.

Pack in 1932 Less

The Canadian Grocer estimates that in 1930, 7,000,000 cans of tomatoes, corn and peas were produced in Canada and that 1931 figures, together with the 1930 carryover will be just as large. The Federal Government's figures on the 1930 pack of canned tomatoes was 4,025,283 cases, but this was on the basis of 24 cans of No. 2 tomatoes to a case whereas the 2½'s make up a large part of the pack. On the basis of 2½'s the pack would have been about 3,000,000 cases of canned tomatoes.

Next year the pack of tomatoes will be much smaller in Canada than this year unless the surplus is somewhat reduced and the prices higher. At 60 cents a case it is stated that the price is 25 cents a case under cost.

Some hope for 1932 and 1933 is felt by some packers in recent changes in the British Government. They hope there may be a preference which will favor Empire goods. The strong objection in Great Britain to taxes on food will apply strongly against the effort to get a preference for Canadian wheat and flour but canners think it will not be so strong against canned goods.

Jams and marmalades are still being bought at low prices. Efforts to establish a selling pool are still apparently short of final success and this is true of the Canadian Vegetable Holding Co. proposed as well.

Royal Financial Corp. May Pay Creditors Fully

VANCOUVER.—Creditors of Royal Financial Corp., in voluntary liquidation, should realize close to 100 cents on the dollar, amounting to $75,346.46, if the trustee in bankruptcy is permitted to hold securities for appreciation in market values, Charles S. Henley, temporary custodian, said at the first statutory meeting of creditors on November 10.

Total assets were given at $601,300, with liabilities listed at $676,606. In addition, there was an amount of about $68,000 in partial payment accounts which could be settled for about $42,000.

Livestock Statistics Half Yearly

In order to secure more comprehensive and accurate information concerning the numbers of livestock in Canada and breeding and marketing data the Dominion Bureau of Statistics will make a second survey of livestock conditions on December 1 this year, and in future will continue the dual survey basis as of June 1 and December 1 in each year.

Bond Tenders

12 o'clock noon, Nov. 25, School Commission of Lennoxville, Que.—$25,000, 4½ per cent bonds dated Sept. 1, 1931, redeemable serially from Sept. 1, 1932, to Sept. 1, 1961, payable at Bank of Commerce at Lennoxville, Sherbrooke and Montreal, St. James St. branch. W. R. Baker, sec.-treas.

12 o'clock noon, Nov. 23, Village of Philipsburg, Que.—$6,000, 5 per cent street improvement bonds, dated Nov. 1, 1931, payable serially until Nov. 1, 1951. Principal and interest payable at Bank of Commerce, Bedford, Que. W. Morin, sec.-treas.

Saskatchewan authorizations granted by the Local Government Board:

Rural Municipality of Touchwood, No. 248, to borrow $2,500 for road construction; debentures repayable in 5 installments, at rate not exceeding 8 per cent per annum.

Rural Municipality of Tullymet, No. 216, to borrow $2,000 for road construction; debentures 5 installments, at rate not exceeding 8 per cent per annum.

Authorization granted by the board of Public Utility Commissioners of Alberta:

Vulcan School District No. 1902, $3,500.

Summary of Week's Annual Reports

A brief analysis of company earnings per annual statements received since last week's issue. Company name in bold type indicates stocks listed in Canada or New York. Net income shown is before preferred dividend, if any. Market prices are at close on Tuesday this week or last sale.

Company	Year end	Net income 1930-31 $	Net income 1929-30 $	Common earnings 1931 $	Common earnings 1930 $	Curr: divd. $	Balance car. fwd. 1931 $	Balance car. fwd. 1930 $	Mkt.	Mkt. times earn.	Yield %
N. Bawlf Grain Co.	July 31	*92,694	*340,704	...	...	...	431,682	567,084	...	...	...
Brantford Cordage Co.	Aug. 31	9,287	340,439	†0.136	†4.88	†2.00	956,645	1,109,629	†17½	...	...
Canadian Car & F'dry. Co.	Sept. 30	761,433	2,593,119	0.64	3.89	1.75	6,055,048	6,458,765	9.00	14.1	19.5
Canadian Marconi Co.	Dec. 31	13,441	162,807	0.003	0.035	...	457,814	444,373	1⅝	...	...
Hiram Walker-Gooderham & Worts, Ltd.	Aug. 31	‡1,060,882	‡2,757,164	0.40	1.04	0.50	5,376,258	6,868,479	4.00	10.0	12.5
Medicine Hat Greenhouses Ltd.	July 31	5,707	28,510	...	0.21	...	17,279	40,582	...	...	...
United Grain Growers Ltd.	July 31	251,070	*414,850	1.97	...	1.25	808,388	780,699	10	5.1	12.5

* Deficit. ‡ Before income tax. † Preferred stock.

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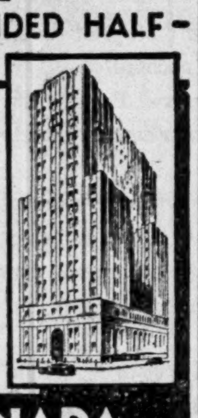

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Debenture and Dividend Notices—26c per agate line.
Contract rates upon request.

SUBSCRIPTION PRICE

Canada, United States, Mexico, British Empire, $5.00 per year; all other countries, $6.00.

Published by
THE MACLEAN PUBLISHING CO., LIMITED
143 University Ave., Toronto 2

MONTREAL, Southam Building, Murray R. Chipman, Eastern Manager; John E. Langdon, Eastern Editor. GT. BRITAIN, London, The MacLean Co. of Great Britain, Ltd., 2, 3 and 4 Cockspur St., London, S.W. 1. E. J. Dodd, Director.

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TORONTO, NOV. 14, 1931

HOW MUCH IS OTTAWA SPENDING ON RELIEF?

THERE is grave need for a more detailed estimate by the Minister of Finance of the probable governmental expenditures on unemployment relief, farm relief and direct relief. We are told by the Minister of Labor that the government has authorized contributions of $15,000,000 already to unemployment relief work but this gives no clue as to the ultimate total. We are told that there have been "large additional expenditures" on direct relief but we are not given figures.

How much is the government spending under its blanket authority to provide everybody with a living? That is what business is entitled to know and should know.

ADDED TO OUR DEBTS; $1,350,000,000

WHILE our governments—federal, provincial and municipal—continue to pile unceasing millions upon our public debts, the true burden of these debts is rising alarmingly through another silent but irresistible force. Most of our public debts were contracted in the war and post-war period. Through the rising value of the dollar—which is but another way of expressing the decline in commodity prices—a total of at least $800,000,000 has been added to the Dominion debt and about $1,350,000,000 to all our public debts. It is a vain hope to expect that any possible rise in prices can eliminate a very large share of this addition to our real burden.

The debts were freely contracted when prices were bouyant. The Dominion government borrowed $100 through the sale of a Victory bond and used it to buy, let us say, forty bushels of wheat to be sent overseas. It must repay this debt with upward of 100 bushels of wheat. The debts were contracted when the average workingman was enjoying a war wage of possibly $7 a day but it must be paid for by these workmen out of incomes of possibly $4 a day.

The problem is common to all governments; some of them will find adjustment in the repudiation of their liabilities and a settlement with their creditors, a way out that we in Canada will want to consider as unthinkable. Someone is, of course, the beneficiary; and in this case it is the holder of the fixed interest rate bond. One must be chary of considering the government bondholder as a profiteer; after all, the man of fixed income had a very hard time of it between the beginning of the century and the peak of the price level. He saw the real purchasing power of his interest coupons shrink remarkably; now he is getting his own back.

There is little that our governments can do to redress the balance between borrower and lender. But they must not forget that the real borrowers are not the government, which is merely the agent of the taxpayer; they are the millions of producers who pay the annual tolls in their taxes. And relief can be given to the taxpayer in another direction; by so curtailing the creation of new debts now that his income will be given a chance to catch up to the increase in his burden.

THE NATURAL YEAR IN BUSINESS

AN EFFORT is being made by Canadian leaders in the profession of chartered accountancy to induce corporations to arrange their fiscal years to match their natural business years. The vast majority of companies end their fiscal year with December 31, possibly because they see some advantage in having their fiscal year the same as the calendar year, possibly because some of them feel that the income tax is payable for the calendar year instead of for the fiscal year (an erroneous conception), possibly with some of them because they have always done so. Yet for many lines of business, December 31 is the worst possible date to present a report. Some concerns would gain in credit by issuing their statements when their inventories are at the lowest; others would gain from issuing their statements when their business volume is at the peak. A lot depends upon the nature of the business, but in most cases it would be simplest to close up the books at a time when the normal cycle of activity in the field is completed. In the case of department stores, it is about January 31; in the case of grain companies about July 31, when the normal grain year ends; for lumber manufacturers about June 30, following the moving out of the winter cut, etc.

One advantage in having a diversity of dates for the ends of fiscal years, would be that better auditing service could be obtained. At the present time chartered accountants are rushed off their feet in the few weeks following December 31 and cannot give the same attention to the accounts that they could give if the peaks in their business were levelled off. There would be an investment value also. So many annual accounts are reviewed in papers like The Financial Post, in the first few months of the year, that only a few of them can receive the space they would be given if they were better divided among the months. There are weeks in mid-summer when only one or two annual statements are reviewed in this paper.

SERVE BY SAVING

IF YOU plan to economize—DON'T" says the title of an article in a popular Canadian newspaper weekly. "Serve by Spending" is the slogan of another Canadian journal. "If everybody would simply spend another dime a day it would bring back prosperity" is the burden of post-prandial talks of the service club vintage.

This ridiculous notion that it is better to spend than to save will not die. It is an insidious idea, superficially logical as all such specious propaganda is, but dangerous in the extreme because it is fundamentally wrong.

The danger in it is not that it will lead many people into unwise or extravagant expenditure. It is very doubtful if much has been added to the spending of Canadians by all the bad advice they have gotten on the subject. The danger is of a reflex character; while the "serve by spending" idea may not accomplish much directly it may accomplish some unfortunate ends indirectly and one of these is to throw thrift and saving into disrepute. A nation prospers as it accumulates capital and it accumulates capital as it saves wisely.

In New York, the savings banks have recognized that the "be extravagant" idea has this possibility of menace. They have undertaken to reply to it. Their argument is sound; that money saved and invested, either in deposit accounts or in good securities, gets to work at once to create jobs and prosperity. We quote from an advertisement signed by the savings banks of New York City:

"What you do with me in these difficult times is mighty important. I'm ready to work for you now—just as I always have in the past—but why not let me work for you and for the whole community at the same time?

"Why not PUT ME IN CIRCULATION—by putting me in a SAVINGS BANK?

"That's one place where I'm never idle! The officers of the savings bank pretty quickly find a safe place to put me to work. I DON'T STAY IN A VAULT. I GET OUT. I GET AROUND. I breathe the air of business.

"I may go out in the form of a mortgage payment to help build a twenty-story building and keep 300 men at work. Or I may build a new home in the suburbs. Or I may go out to HELP BUILD AN ELECTRIC POWER PLANT OR A BRAND NEW CONCRETE HIGHWAY.

"And while I'm HELPING EVERYBODY BY PROMOTING INDUSTRY, I'm earning good interest for YOU... A COMFORTING THING TO KNOW."

WOULD LEGAL LIQUOR RESTORE U. S. TRADE?

FROM time to time, one sees discussions of the probable effect on Canada of the abandonment of prohibition by the United States. The possibility of a new market for our barley is emphasized; huge immediate profits are seen for our distillery companies which have surplus stocks of liquor that, it is felt, could be immediately placed on the American market while stocks were being aged in American plants. We have, too, an academic interest in the argument so often seen in American papers that the legalizing of the liquor traffic would create a vast new industry for the United States and provide the basis for a restoration of prosperity. A great deal of money is being spent by the Busch interests of St. Louis, to promote this idea.

There seems to be a great deal of fallacy in the discussion. Authoritative Washington opinion is that early repeal of the 18th amendment is extremely unlikely. It is possible that there will be some legislation to re-state the degree of alcoholic content permitted in non-intoxicating liquor. Even if this were done, the fact that one-half the United States is under State prohibition laws would have to be considered.

Even if the United States liquor industry were restored to its former level of prosperity, it could not be expected to employ directly or indirectly more than 250,000 persons. One wonders if there are not at least 250,000 persons engaged directly or indirectly in the illicit liquor industry in the United States at the present time. Would a shift of these people from their present employment to a more legalized form of employment necessarily create a new industry or add to the country's purchasing power?

Abandonment of prohibition in the United States might have two important effects. One would be psychological. The mere fact that people believed that a new industry was being created might help to give some stimulus to general confidence. The second would be the elimination of a large part of the crime and racketeering that follow in the wake of illicit industry.

The argument that the United States may back up on the prohibition question is trotted out frequently in Canada to serve as a temporary prop for our liquor stocks, which it is evident, the insiders have liquidated on an enormous scale.

CHIGNECTO CANAL

THE commission that is investigating the Chignecto canal project may be regarded by business men as a waste of money but a much greater waste might have been the ultimate result if the canal had been built without a proper survey. The canal, which is proposed to link the Bay of Fundy with the Gulf of St. Lawrence, is a project that has been discussed for two generations but has never come near fruition. It is probable that it would not even be seriously considered now were it not for the desire of the present government to do something more for the Maritime Provinces. But it must not be assumed that the Maritime Provinces are themselves convinced that the Chignecto canal has any value.

The town council and the Board of Trade of Pictou, N.S., for example, have already presented a brief to the Chignecto canal commission urging that the present financial condition of the country presents an insuperable barrier to the practical consideration of the expenditure necessary for this work, even if it were feasible, and the view is further expressed that it is not feasible. Pictou has been a seaport town for over 150 years and has produced many trained captains and sailors. The view of these men was obtained by the Pictou Board of Trade, before making its presentation, and before the definite statement was made that the board did not consider the construction of the canal as a feasible proposition from the standpoint of navigation.

Business men generally will weigh the report of the Commission before coming to final conclusions on the matter of the canal but they will breathe a sigh of relief if the commissioners report that they consider it an impractical venture.

THE LEGACY OF WAR

ANY doubts which may exist in the minds of the younger generation as to the futility of war should be quickly dispelled by a glance at world conditions today. So much literature has been published in recent years, which despite its sordidness adds a certain glamor to armed fighting, that it is well to remember the world owes its present difficulties to one thing, namely, a war that ended 13 years ago. Thirteen years which have culminated in the economic ills of the present are an illfound legacy. Those who have grown up since 1918 can only think of war in terms of hearsay, but they can quickly realize its senselessness in terms of business today.

War interferes with the functioning of the price level on which rests the foundation of international trade and credit relations, consequently it is destructive of international society and of the entire economic organization which enables men to engage in harmonious commercial activity. Thirteen years ago it was possible for statesmen to call a truce to fighting and instantly war ceased, but no statesman is able to declare an armistice to present-day conditions and immediately end the economic distress of the world. The aftermath of war provides a problem which as yet is unsolved; any solution, to be successful, must rest primarily on a full realization of the necessity of peace.

EDITORIAL NOTES

With the public rushing to buy "futures" in all sorts of commodities there are going to be some burnt fingers.

* * *

The Ontario government is taking the right stand in refusing to pay any share of land damages in unemployment relief works. Sums paid out for land damages create jobs for no one.

* * *

When the Farm and Unemployment Relief Bill passed Parliament the government did not attempt any estimate as to how much money would be spent under its provisions. And now, months afterward, the public is still in the dark as to how much it is going to cost.

* * *

While a speaker at the Canadian Club in Toronto was clearly demonstrating the fallacy of the idea that prosperity can be created by war, silver speculators were making money out of the war news from the Orient. The immediate profit to a limited group from war often looms larger than the colossal waste and the loss to millions.

* * *

Even Parliament can not create a holiday where the business public does not want it. The unfortunate fiasco of Armistice Day calls for the repeal, at the next session of Parliament, of the act declaring November 11 a public holiday. The Financial Post and many boards of trade opposed the bill but Parliamentarians slipped it through practically without discussion. Another holiday was not needed and if it had been, it should have been fixed on a Monday. We already have too many holidays that float around in the middle of the week to the annoyance and discomfort of the people generally.

POST-scripts

AFTER ALL these years it is sheer sauciness to raise any doubts about Diogenes but nevertheless we often wonder if he was an honest man himself.

When the good citizens met Diogenes in the street, carrying a lighted lantern in broad daylight, they began to chaff him good naturedly. This was the obvious thing to do. Perhaps a few people even jeered at him. Diogenes had to do some quick thinking. Here he was, caught in an uncomfortable position. He was not slow to visualize its implications. He could already see his fellow citizens going about town saying to their neighbors "Did you hear about old Diogenes? Walking down Main Street with a lighted lantern in his hand? Talk about a man being absent minded; there's absent mindedness for you."

Diogenes was equal to the occasion, "I am looking for an honest man," he said. Thus he turned that embarrassing moment into an opportunity to make his name live forever. Only university professors would ever have heard of him otherwise.

What chance has a man to live forever simply by being nonchalant and lighting a Murad? One has to be thoroughly dishonest and tell a whopping big lie, in the manner of Diogenes, to go down through the ages as the author of The Wisecrack That Lives.

* * *

MILLING crowds in brokerage offices in Montreal and Toronto are reminiscent now of pre-deflation days. Some of them are buying stocks but most of them are buying commodities. People who do not know even where cocoa is grown are carrying heavy lines of that excellent raw material for confections and morning beverages; some are carrying silver, others wheat, cotton, or even pigs' bellies.

Few amateur traders in commodities ever visualize what they are buying. They do not know whether what they have bought would make a basket-full or a trainload.

But the amateur traders, in the aggregate, do not amount to much. If speculative commodity markets had to depend upon them, volume would be small.

No Need for Haste in Return to Gold

Some reasons why Britain should not hasten to return to the gold standard, either at the old or a new parity, were given by Sir Basil Blackett, a director of the Bank of England, in a speech recently.

"We are bound to ask whether there is an alternative international standard, such as bimetalism, symmetalism or a non-metalic standard, which would work better than gold," he said. "Even if there is such an alternative, however, the question will still be asked whether conditions are ripe for its adoption.

"If by sacrificing the stability of exchange Britain can be made the master of its own economic destiny, not to be dragged at the wheels of the chariot of the Federal Reserve System of the United States or the Bank of France, and give real stability to in internal price level, the alternative of a managed sterling currency system is at least worth examining."

He suggested that it would be worth examining whether it might not be possible to adopt an imperial currency standard.

As Others See Us

Private vs. Public Business

Brockville Recorder and Times: It is indeed a serious situation when, as The Financial Post asserts, Canadians are obliged to work one day in four in order to keep the tax collector from calling in the bailiff. And the most distressing part of the whole business is that there is in evidence a constant tendency for the burden to increase, rather than to decline. Rather than curtail existing expenditures, governments seem to prefer to explore additional sources of revenue, chiefly in the form of further taxation, and people, who cannot perceive that increased expenditures lead only to increased taxation, continue to urge upon them even larger expenditures, often in connection with projects that are not visibly in the general interest of the public.

There is not a little point to the suggestion advanced by the Toronto publication that while private business throughout the country is, in general, struggling through a reduction of costs and in other ways to avert insolvency, public business continues to be conducted very much on the normal plane of costs without noticeable decline being recorded.

Inevitably there must be a limit to this exaction of money from the people in the form of taxation and this piling-up of huge debts. Ratepayers are able to bear only a certain burden. When it gets beyond their ability to pay, the time of reckoning is at hand. And in some cases, where governments have gone steadily ahead spending money without making much effort to do as private business has been compelled to do in the curtailment of costs and the elimination of waste, it has already arrived.

Everybody's Business

Halifax Chronicle: The huge expenditures made by Governments, both Federal and Provincial, had to come to a halt. If they did not come of themselves, then they would be forced to stop when they came to the money markets seeking more.

This The Financial Post points out. It is what The Halifax Chronicle has been saying for the past number of years, when governments were merrily spending every dollar they could lay their hands on and going to the money-lenders to get more, utterly regardless of the day of reckoning which must eventually come. As The Post points out it may be a good thing for the governments, sharply bringing them to their senses. They can't go over the whole country promising this, that, and the next thing, without somebody paying for it. The tragic thing about it all is that, not governments, but the people pay and some of them are going to pay very heavily.

Meanwhile the paramount necessity of Mr. Bennett getting an able finance minister was never more apparent. No man, not even Mr. Bennett, is able to run the country all by himself. The wonder is that anybody ever attempted it.

Borrowers Must Repay

New Westminster British Columbian: Reports emanating from various cities and municipalities show a growing tendency on the part of many people and organizations to look to the government and local governing bodies for relief directly they get into financial difficulties or find that providing for themselves and their dependents is becoming troublesome. When they cannot earn or borrow money themselves they seem to think that all they have to do is to worry the authorities and get them to borrow.

Paternalism and relief measures may be necessary to a reasonable extent, but they must be kept within reason. Money borrowed has to be repaid and, as things stand at the present time, it is more than probable that for the next few years taxes collected in Canada will average about one-fourth of the national income or, as The Financial Post puts it, "Canadians will have to work one day in four to keep the tax collector from calling in the bailiff." Before the war we worked only one day in ten in order to pay our taxes, but the ratio has steadily risen since then.

We are today suffering from the too freehanded and unwise administration in the past, just as many reviewers of recent events in Great Britain claim that the paternalistic "frills" adopted by the Liberal regime from 1906 to 1914 settled the fate of the subsequent Labor government, which could neither provide for the obligations incurred by the Liberal government nor maintain the standard of social and paternal legislation set by its predecessors without burying the country under a load of debt.

Canada's foundations are solid. Her resources are great. She will recover from the present depression in time. But we can help to hasten that time by modifying our wants and by reducing our standard of living to bounds within our individual and national capacity to provide or afford.

Too Many Frozen Assets

St. Catharines Standard — The Financial Post says that Canada is negotiating for the purchase of Labrador. In another column it points to the immense amount of frozen assets held by the two railway systems of the country. Haven't we really enough of such right now without Labrador?

"Stop Me If You've Heard This One"

These are times that not only try men's patience but their good resolutions. One man in Toronto promised his pastor that he would give 25 cents to the church missionary fund every time he said "damn." But times have been hard and "damn's" frequent. So the man went to his pastor and said:

"Padre, this is getting to be a nuisance. How much will you take for a season's ticket?"

The World at Large

An Occasional Department Discussing World Economic Affairs That Affect Canada

By F. S. C.

POUND DEVALUATION

VARIOUS experts have figured it out recently that Great Brittain will have no difficulty in returning eventually to the gold standard with the pound sterling based upon the former parity of $4.86 2/3, expressed in American dollars. But these experts are probably speaking without the co-operation and advice of leading London, England, bankers, for in authoritative circles in the country there seems to be a definite expectation that the pound sterling will eventually be devalued and the depreciation that is suggested is at least 25 per cent. Many of these people feel that such a devaluation should have been attempted when Britain went back on the gold standard in 1925 and that if this had been done there would never have been any need for Britain to go off gold again.

In many ways the depreciation of the pound has been very helpful to Britain; it certainly has been helpful to British industry which is rapidly bringing the British trade balance to the credit side. Under these circumstances there is no pressing desire in the old country to restore the pound to its former parity. While some British investors lost a considerable amount of money through the depreciation of the pound other investors have gained and the British government has been substantially the gainer for the higher level of prices stimulated at home, has tended to wipe out a portion of the national debt.

* * *

EMPIRE CURRENCY

THE old idea of an Imperial currency is being pressed vigorously again. In view of the many discussions that are taking place, readers of The Financial Post will probably recall that when Britain went off the gold standard, The Financial Post canvassed the possibility of an imperial currency being the result. In view of the fact that Australia, Africa, England, and some other parts of the Empire use pounds, shillings and pence as their currency, there would be a strong effort made to establish the pound sterling as the currency of the empire. Canada would resist such a move to the bitter finish. If Great Britain is going to have to revalue its pound and South Africa, Australia, and other parts of the Empire are to follow suit, they might as well follow the example of Canada which, in 1858, in the midst of a crisis which affected this country more seriously than the present one adopted the decimal system of currency and we have stuck to it ever since.

Slowly the countries of the world are coming to the decimal system, not only in their currency but in the weights and measures, and an occasion such as the present presents an opportunity for a great advance which would be more difficult to arrange in normal times.

The Business Paper and Its Place

Canadian Textile Journal, Montreal

Canadian Textile Journal, Montreal.—In the course of the discussion following the luncheon in Toronto tendered by The Financial Post to editors and other representatives of the business press of the country, Col. J. B. Maclean, president of the MacLean Publishing Company, said one or two things relative to that press and its function that badly needed saying. He pointed out that those present represented more than two hundred Canadian industries for which the business publications for which they were responsible constituted the only mouthpiece. From this he deduced the very pertinent moral that such publications have not merely a valuable, but a vital, function to perform for the benefit, not only of the special industries that they have been called into being to serve, but also of the whole Canadian industrial and commercial fabric.

Referring to speeches recently made by the Prime Minister, Hon. Dr. Manion, Minister of Railways, and others, he declared it is plain that, in the present economic crisis, public men are asking for leadership. That leadership it was his emphatic opinion that the business editors of the country are in a position to give. We have no doubt that he is right. At the present time, there is a good deal of loose and indiscriminate thinking being done, and a good deal of misinformation going the rounds, anent matters industrial. In the nature of things, the business editors of the country, with their close contacts with their respective fields, should be able to furnish a wholesome and much-needed corrective to this sort of thing, by means of the accurate and specific information, with respect to the various industries with which they are concerned (these, in their sum total, making up what is known as Canadian Industry) that they are in a position to supply.

There was certainly never a time when the business press of this country was better equipped than it is at present to discharge functions of this nature. In days gone by, a certain type of business man was often disposed to look somewhat askance at the co-operation that the trade and technical journal offered to industry, and to throw a certain amount of cold water on its efforts to act as an effective spokesman in industry's behalf. That attitude, we venture to think, has undergone a sensible and salutary change. In their advocacy of needed changes in the tariff, and of the too-long-delayed overhauling of our customs machinery, and in various other similar directions, journals of the order mentioned have played a part of proven worth. Notably, too, have they demonstrated their utility by the progress they have achieved in the way of linking-up the "industries within an industry," so to speak.

In Colonel Maclean's view, the function of a business paper is threefold: First, to give the news; secondly to interpret it; and, thirdly to afford leadership. In general terms, we agree with this. It is not enough for a business paper to record the happenings in the industry it seeks to serve, though it is, of course, of prime importance that it should do this. But it must also interpret those happenings to the industry in question. Further than that, it must study opinion in the industry and endeavor, not only to reflect that opinion faithfully in its columns, but also to guide it in the right direction. The paper that is equal to the performance of these tasks—and of a large and increasing proportion of the business press of Canada it can be said that it is measuring up to such a standard is rendering a service to its day and generation that is little less than invaluable.

Population of Quebec City

A municipal survey of the city of Quebec gives a population of 139,846 and 12,190 buildings which include 20,091 stores. There are also 26 farms within the city limits.

Security Review

Frequent changes in business and financial conditions make a regular review of even the most carefully selected investment list advisable.

We are pleased to extend the facilities of our analytical department to those desiring service of this character.

Please write to our nearest office.

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Dec. 1925	Dec. 1930
$81,677,030	$146,538,137

Assets

Dec. 1925	Dec. 1930
$12,375,516	$25,237,678

Rate earned on invested assets 6.66%

THE DOMINION LIFE ASSURANCE COMPANY
HEAD OFFICE - - WATERLOO, ONTARIO

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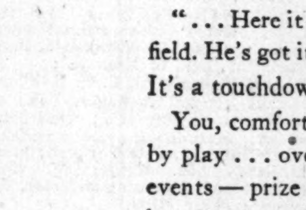

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HOTELS STATLER
BOSTON BUFFALO
CLEVELAND DETROIT ST. LOUIS
in NEW YORK, *Hotel Pennsylvania*

The Week in Business

Germany Still Vital Factor in Recovery
Australia's Tariff and Canadian Branch Plants

ALTHOUGH higher wheat prices are without doubt the best tonic that can be administered to Canadian business it must not be overlooked that many fundamental problems in this and other countries still remain to be solved and that the patients are still far from well. In world affairs perhaps the most critical situation that has yet to be faced is the prospect of a real financial breakdown in Germany. For a considerable time the doctors have been working feverishly to avoid such an occurrence but there is still a real possibility that such a catastrophe may occur which would prove a major set-back to world business at the present time, and can only be avoided by international co-operation and aid.

It must be remembered that moratoriums by introducing uncertainty, virtually freeze business. In other words, all moratoriums of public debts become of necessity moratoriums of confidence. They also incite governments to place themselves in a state of apparent insolvency. For this reason it is believed that France will not countenance an extension of the Hoover moratorium but will insist on a fundamental solution of German troubles, which if it can be accomplished would undoubtedly be constructive.

• • •

FROM Australia we learn from confidential sources that any material improvement in the exchange situation is unlikely this year and that the difficulty of remitting funds to London is not likely to ease during the next two months. What does seem probable, however, is that the shelter of the present exchange rates affords excellent opportunity to give effect to a growing popular demand for a substantial downward revision of the tariff. The Australian Senate is said to be planning definitely in this direction and it is anticipated will press for a truly effective British preference. Whether anything will be done prior to the proposed empire economic conference, and whether this would cause a revision of the new treaty with Canada is not known.

In regard to the treaty recently made with Canada, Australians are apparently concerned lest United States manufacturers establish branch plants in Canada and ship goods in this way into Australia to benefit by the clause which permits goods from Canada of a class not manufactured commercially in Australia, and other than those enumerated in the schedules of the treaty, to be admitted to Australia at British preferential rates subject only to the proviso that 25 per cent of their cost be represented by Canadian workmanship and materials. In this way it is felt that goods manufactured largely in the United States might be shipped into Canada, assembled, and exported to Australia to such an extent that the United States might ultimately benefit to a greater degree than Canada herself, at the expense of Great Britain and other countries in a similar position.

Although this situation is being closely watched in Australia some difficulty is seen in providing a remedy since any change to increase the percentage of the Canadian content clause would mean altering the treaty itself, and there is a natural reluctance to do this so soon after it has been ratified.

Business Conditions in Canada

ACTIVITY DECLINES OUTLOOK BETTER FOR B. C. LUMBER

Demand for Machinery and Equipment Thought to be Substantial

Lumber production on the B. C. coast is still declining slowly but some encouraging factors making for recovery are seen by those close to the industry.

Actual production of 344 mills for the week ending October 17, according to reports of the West Coast Lumbermen's Association, was 93,353,361 feet which is less than one-third of weekly operating capacity. For the first 41 weeks of the year average weekly production has been 118,677,000 feet which is about 40 per cent of capacity, and compares with average weekly production in 1930 of 158,226,000 feet. Average weekly production for the past three years has been at the rate of 195,341,000 feet so that operations for the year to date are 71 per cent of 1930 figures and 60 per cent of the three year average.

Stocks Still High

Depressing factors at the present time are the fact that stocks on hand are regarded as considerably too high in relation to present volume of orders. While the decline in shipment from B. C. is proportionately less than from Oregon and Washington, Canadian mills are feeling the pressure of the times. Present prices can allow for only a very small margin of profit and then only for those mills operating with a low overhead. Loggers are operating only in a small way, the larger operators not having resumed cutting since the summer shut-down.

Favorable factors which indicate that no industry is more likely to respond to an improvement in business conditions than lumbering, are cited by the B. C. Lumberman as follows:

1. The enormous latent demand for lumber products due to the universal holding back of constructional projects that will absorb vast quantities of material.

2. The noticeable increase in building permits all over the North American Continent.

3. The fact that due to a studied policy of curtailment, lumber stocks are at a record low ebb, both at the mills and in retail yards.

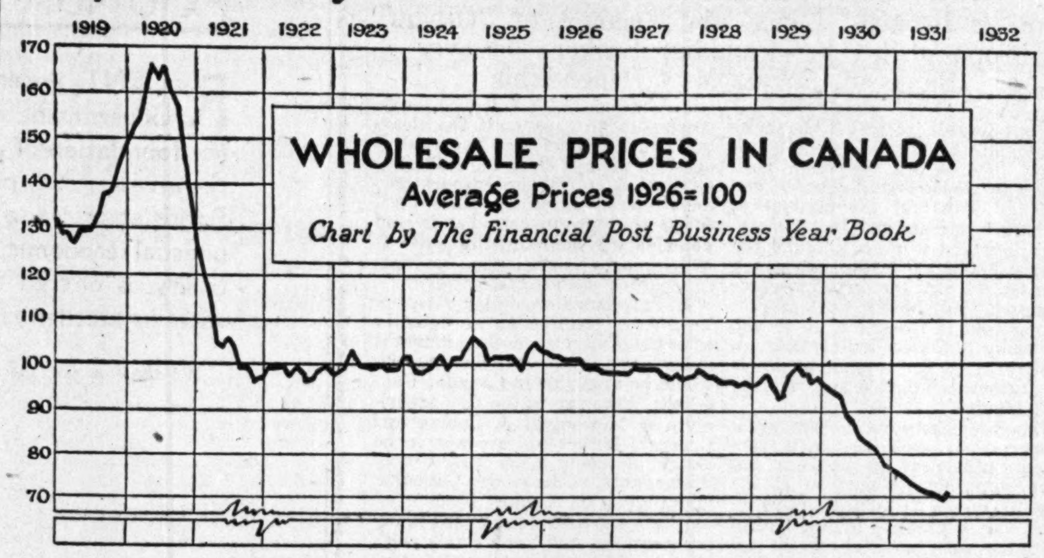
4. The remarkably low prices at which material is now available for regular stocking or for speculative buying.

New Machinery Needed

"It must be pointed out," says the Lumberman, "that lumber production, in spite of the times, is well up to the average of the last few years. The output this year is well ahead of the banner year of 1920, when production ran wild and prices reached a level quite impossible to maintain. The lumber exports from B. C. for the first six months of this year were 30 per cent of the cut as against 8 per cent in 1920, and the increased demand from Britain together with the signing of the Australian pact bode well for a marked increase in cargo shipments from now on.

"British Columbia's share of the Australian trade is now 75 per cent, and British annual imports of B. C. lumber, amounting in 1930 to 98,000,000 feet, are more than double the total of five years ago. To the manufacturers of lumber industry equipment and supplies we would point out that the need for new machinery in mills and camps in the near future will be very great. Equipment in many British Columbia sawmills and logging operations has perforce deteriorated to a degree at which renewal is a prime necessity if competition in world markets is to be maintained. High efficiency and modernity of machinery is as vital as ever to the capturing of worthwhile business."

Upturn Finally Comes in Canadian Price Index



After a steady decline extending over exactly 25 months the official index of wholesale commodity prices in Canada, as compiled monthly by Dominion Bureau of Statistics, turned upward in October. The index represents 502 commodities and went to 70.4 in October, as compared with 70.0 the previous month. The index has gone steadily down since August, 1929, when it stood at 98.4. Its course over the past twelve years is clearly shown in the above chart.

Benefit of Wheat Rise Not Evenly Distributed

But October Marketings Netted Prairie Farmers $30,748,000 as Against $24,922,000 in Same Month a Year Ago

By M. W. SHARP
W. Sanford Evans Statistical Service, Winnipeg

The recent rise in grain prices helps to correct a fundamental factor underlying the reduced buying power of Western Canada. The trouble has been that the prices of what farmers produce have fallen much more rapidly than those of the products which they consume. Whereas in 1928, 100 units of farm products could buy 100 units of manufactured goods, a month ago 100 units of farm products could buy only about 70 units of manufactured goods. Lower volume of farm products, of course, further decreased the farmers' buying power.

The rise in grain prices began October 7, and up to November 7 cash wheat had gained 19 cents, oats 7 cents, barley 14 cents, flax 17 cents and rye 21 cents.

Benefit Not Equal

There is difficulty in exactly representing what this means to the farmers of the West because it is impossible to ascertain whether the grain which a farmer has delivered is actually sold or not, but some figures of the present value of the grain are significant. Some 135,473,000 bushels of wheat were delivered by farmers at country stations from August 1 to October 31, of which 11,084,000 bushels were delivered during August, 45,189,000 bushels during September and 79,200,000 bushels during October. The flow of grain started from southern districts first and gradually worked north, threshing not becoming general in northern Alberta and northern Saskatchewan until the second week of October. Since the upward movement in prices did not begin until October 7, all farmers have not equally benefitted.

The net money value of wheat marketings by months and provinces is shown below, compared to last year. October figures are higher than a year ago, a rather important point to be noted, for it shows that there is now a heavy flow of money to farmers, despite a small crop. The present should be an excellent time to concentrate sales and collections efforts in these Western Provinces.

Net Money Value to Farmers at Country Stations of Wheat Delivered

Manitoba		
Aug.	1,547,524	7,216,209
Sept.	3,796,632	11,374,323
Oct.	2,329,201	2,438,557
	7,673,357	21,029,089
Saskatchewan		
Aug.	891,795	8,341,378
Sept.	7,076,424	30,263,700
Oct.	13,262,775	10,512,780
	21,230,994	49,117,858
Alberta		
Aug.	1,587,081	8,849,465
Sept.	4,881,524	16,901,880
Oct.	15,156,764	11,461,219
	21,625,369	37,212,564
Prairie Provinces		
Aug.	4,026,400	24,407,052
Sept.	15,754,580	59,405,778
Oct.	30,748,740	24,922,306
	50,529,720	108,735,136

The above figures leave out of consideration two important elements in the returns to farmers: (1) the five-cent bonus on wheat marketings, about $5,000,000 of which has already been distributed and the total for the year should run close to $10,000,000. (2) Last year Pool farmers, about 50 per cent of all farmers, received 50 to 60 cents (basis Fort William) on No. 1 Northern wheat, while this year practically all of them are receiving the open market price.

The increase in price has meant considerable to farmers already, but if prices are only maintained at present levels, they will stand to gain much more. The Prairie Provinces' wheat crop is estimated at 246,000,000 bushels; deducting from this an allowance for seed and feed purposes and deducting deliveries of new crop from August 1 to October 31, there was left to be marketed at that date about 75,000,000 bushels of wheat. This is worth today $14,000,000 more than it was on October 1.

Coarse Grains Big Item

Coarse grains have likewise increased in value but whether these increases will be realized in actual cash or not is quite indefinite. It is interesting, however, to note that deliveries have become much larger under the impetus of these higher prices. Oats in particular are coming through in large volume. Barley, flax and rye are also being marketed fairly well. Coarse grains as a present and potential source of revenue should not be ignored.

The chief factors which are enumerated above—the rise in prices since October 7, and the five-cent bonus on wheat marketings—combine to extend the relative advantage in buying power of northern and north central Alberta and northern Saskatchewan over other parts of the West; for it is these areas which have the heaviest crops, and that have benefitted to the fullest extent by marketing almost all their grain during the period of rising prices.

Business Briefs

Car Loadings for week ending Oct. 31 at 61,308 cars were slightly lower than the peak recorded in the previous week and 8½ p.c. below same week last year. Grain shipments were not quite so heavy as last week. Total loadings for year are 20 p.c. under same period 1930, all classifications sharing. Merchandise l.c.l. down 14.85 p.c., and grain 7 p.c. behind.

Wheat stocks in Canada are increasing gradually, the 164,134,449 bus. on hand at Oct. 30 being 6.8 p.c. higher than previous week, but 13 p.c. below same week 1930. Other grain at 36,340,380 bus. was 4.4 p.c. heavier than previous week and 36.7 p.c. under stocks at same date 1930. Export clearances of wheat for week totalled 3,753,221 bus. as against 3,215,772 bus. previous week.

Canadian Business Indicators

Compiled Weekly by The Financial Post

	Weekly Latest 1931	1930	Cumulative Jan. 1 to date 1931	1930
C. P. R. Gross Earn. (Oct. 31)	$ 4,817,000	$ 5,300,000	$ 120,443,000	$ 153,254,000
C. N. R. Gross Earn. (Oct. 31)	$ 5,825,461	$ 6,820,604	$ 149,571,581	$ 189,873,111
Car Loadings (Oct. 31)	61,308	66,967	2,179,186	2,720,631
Common Stock Index (Nov. 5)	66.9	112.0	......	......
Production—	Monthly			
Pig Iron, tons, (Sept.)	17,585	49,395	380,322	622,716
Steel, tons, (Sept.)	33,390	55,808	592,855	818,471
Newsprint, tons (Sept.)	178,412	195,490	1,670,150	1,902,056
Automobiles (Sept.)	2,646	7,957	77,495	138,622
Boots and Shoes, pr. (Sept.)	1,672,437	1,615,859	13,735,242	13,346,000
Flour, bbls. (Sept.)	1,515,613	1,624,238	10,816,681	11,816,370
Mineral Production—				
Gold, oz. (August)	225,600	169,620	1,722,600	1,316,119
Silver, oz. (August)	1,024,000	2,036,000	14,865,000	17,258,695
Nickel, tons (August)	4,433	4,544	27,433	36,789
Copper, tons (August)	13,579	13,089	105,055	104,934
Lead, tons (August)	10,574	12,770	97,571	112,329
Zinc, tons (August)	9,599	13,118	86,856	84,772
Coal, tons (August)	706,000	1,101,000	7,388,000	9,324,234
Nat. gas, M. cu. ft. (Aug.)	1,299,000	1,492,000	17,730,000	18,724,913
Petroleum, bbls. (August)	103,300	136,060	1,176,800	898,806
Automobile Financing—				
Used Cars (Sept.)	$ 1,345,535	$ 2,517,052	$ 17,533,636	$ 27,301,621
New Cars (Sept.)	$ 1,225,949	$ 1,754,700	$ 17,727,477	$ 25,892,252
Construction—				
Building Permits (Sept.)	$ 10,322,414	$ 11,093,020	$ 86,898,267	$ 126,361,350
Contracts (October)	$ 28,789,200	$ 33,332,100	$ 279,582,500	$ 393,146,800
Labor—				
Employment Index (Oct.)	103.9	116.2	......	......
Trade—				
Imports (Sept.)	$ 45,372,051	$ 87,900,201	$ 494,991,895	$ 793,671,430
Exports (Sept.)	$ 48,991,385	$ 81,046,227	$ 439,150,578	$ 663,244,399
Imports of Key Products—				
Rubber, raw, lbs. (Sept.)	3,438,000	3,534,000	44,818,888	52,359,337
Cotton, lbs. (Sept.)	4,999,000	5,524,000	60,334,000	59,638,000
Sugar, raw, lbs. (Sept.)	71,618,900	103,078,100	611,626,900	639,568,600
Petroleum, crude, gal. (Sept.)	96,530,000	105,470,000	765,068,344	772,684,202
Coal, tons (Sept.)	1,484,059	2,046,866	9,583,549	12,859,433
Exports of Key Products—				
Newsprint, tons (Sept.)	161,171	194,820	1,504,225	1,731,591
Automobiles, No. (Sept.)	787	4,662	13,044	36,052
Wheat, bus. (Sept.)	14,335,637	27,817,053	126,131,372	124,528,775
Wheat flour, bbls. (Sept.)	556,565	734,349	4,210,968	7,722,698
Electric Power—Output—				
M. Kilowatt hours (Sept.)	1,288,113	1,442,961	12,107,611	13,230,458
Population—				
Emigration (September)	1,142	4,702	9,832	36,158
Immigration (June)	3,169	13,175	15,510	54,385
Finance—				
Failures, No. (August)	155	159	1,416	1,533
Failures, Liabilities (Aug.)	$ 2,350,994	$ 5,518,164	$ 27,715,048	$ 34,466,967
Bank Debits (Sept.)	$2,450,545,080	$2,967,181,800	$23,519,654	$27,887,943,003
Bond Sales (Sept.)	$ 50,920,400	$ 39,423,612	$1,024,677,750	$ 498,052,772
Wholesale Prices (1926)=100—				
General Index (October)	70.4	82.5	......	......
Iron & its products (Sept.)	86.8	90.4	......	......
Cotton, raw	37.2	62.7	......	......
Grains	35.8	54.6	......	......
Livestock	71.1	93.4	......	......

FISH OPERATIONS LESS INTENSIVE DUE TO MARKET

Value For All Canada for 9 Mos., $11,816,330, Down 42½ p.c.

A survey of Canada's sea fisheries production in the first nine months of 1931 reveals catches considerably smaller than in the corresponding period of 1930, although the change reflected world market conditions rather than a lessening in the quantity of fish available for capture.

With world economic conditions unsatisfactory, operations in the fisheries have naturally been less intensive than in other and normal years.

Total landings from the sea fisheries of the Dominion in the period between January 1 and September 30 was approximately 675,989,000 pounds, according to unrevised statistics gathered by the Dominion Department of Fisheries, while in the same period 1930, catches totalled a little more than 818,414,000 pounds. With market conditions unfavorable, the landed value of the catches to the fishermen has, of course, also fallen off very sharply this year, amounting in January-September to $11,816,300, in round figures, as compared with $20,566,800 a year ago.

September Compares Badly

Taking results for September, there was a decrease in catch and landed value on both Canadian coasts. Pacific coast landings were 59,493,800 pounds, with a landed value of about $665,615; in September, 1930, the catch was over 95,700,000 pounds and landed value was $1,580,856. Atlantic fishermen brought ashore 41,695,500 pounds during the month, as against 65,585,700 pounds in the previous September, and the fish had a landed value of $652,140, or a decrease of about 607,000.

Combining the September figures for the two coasts, there were landings totalling 101,189,300 pounds, with a landed value to the fishermen of $1,317,750, as against 161,299,300 pounds and $2,840,560 in September, 1930.

Total catch and total landed value were smaller in all four of the Atlantic coast provinces in September than a year ago. In Nova Scotia returns from virtually all of the fisheries showed a heavy decrease in the catch as well as in the landed value, as compared with the corresponding month for 1930.

The figures for total catches and landed value in each of the Atlantic provinces in the two Septembers are as follows:

		September 1931	September 1930
Nova Scotia:			
Catch	lbs.	22,659,900	40,508,400
Landed value	$	342,689	780,164
New Brunswick:			
Catch	lbs.	13,411,400	18,074,800
Landed value	$	213,202	289,149
Prince Edward Island:			
Catch	lbs.	1,011,800	1,814,700
Landed value	$	29,339	60,309
Quebec:			
Catch	lbs.	4,612,400	5,187,800
Landed value	$	66,908	130,085

In British Columbia the September salmon landings amounted to 20,007,000 pounds, a decrease of more than 13,000,000 pounds from the figures for September of last year. In the halibut fishery, another of the major Pacific coast fisheries, there was a catch of about 2,250,000 pounds, as against 2,874,300 pounds in 1930. Pilchards were running in abundance but market conditions checked the intensity of the fishing and the month's pilchard catch was only 36,550,000 pounds, or less by about 21,000,000 pounds than last year. Somewhat more herring were taken in the September before, though the total catch was not large, and there was a small gain in landed value.

Office Space Vacancies Only Little Above Normal

Office vacancies in 39 Toronto buildings amount to 10.92 per cent of the total floor area, according to a recent survey of first-class office space made by members of the Building Owners and Managers' Association. This is considered to be very low and only about 1 per cent higher than the normal number of vacancies.

An official survey made in May showed vacancies at 9.83 per cent, while in May, 1930, the percentage was 6.91, so that in spite of at least two large new buildings throwing additional floor space on to the market there has been an increase in vacancies since May, 1930, of less than 4 per cent. Total rental space now is 2,513,494 square feet, vacancies amounting to 274,479 square feet. A further 88,000 square feet is also rentable in a building at present under construction.

IMPLEMENT OUTPUT DROPS ONE-THIRD

Yet 1930 Imports Were Twice Value Exported, at $22,000,000

Production of agricultural implements and machinery in Canada during 1930 at $26,902,139 was something under two-thirds of the output for the previous year, when the total was $40,659,479, according to reports from the 57 firms in the industry collated by the Dominion Bureau of Statistics. The total for 1925 was $24,770,216.

Plants reporting had a fixed and working capital of $98,684,828 and a monthly average of 7,405 people who received $9,564,049 as salaries and wages. Last year 62 firms reported and the total fixed and working capital amounted then to $103,356,773; the monthly average of people employed was 11,408 who received $14,775,889 in wages.

Imports during the year under review were appraised at $21,944,231 and exports (including re-exports of foreign goods) totalled $10,435,973. The apparent consumption in Canada as indicated by deducting the exports from the sum of production and imports is represented by $38,410,397 in 1930 as compared with a consumption of well over $52,000,000 in 1929 and over $66,500,000 in 1928.

Among the imports were 11,228 tractor engines and parts valued at $10,762,641; planting and tillage implements and parts valued at $3,303,359; seed separating machines and parts at $3,127,859; harvesting machines, implements and parts at $2,200,905; dairy machines such as cream separators, pasteurizers, milking machines and parts, at $1,452,644; and many other lines such as manure spreaders, spraying and dusting machines, pruning hooks and shears, feed and ensilage cutters, etc.

B.C. Tobacco Growers Have Encouraging Year

Harvesting of the tobacco crop in British Columbia is now completed and indications are that the proportion of merchantable quality will be very high, according to advices from Summerland, B.C. Curing at the experimental station there is advancing rapidly, well ahead of last year, and the approximate value of the crop will be determined upon completion in the near future of the sorting process.

The main crop is burley, used largely for pipe tobacco, the better grades being used for cigars. In the Sumas district this year, 166 acres of Virginia tobacco are under cultivation, and this is likely to be increased next year. There is now a market for every pound of tobacco grown in British Columbia, according to the Summerland report.

Car Loadings Index For L.C.L. Improves

Index number for car loadings of L.C.L. merchandise for October stood at 76.92, compared with 75.54 in September and 73.69 in August, reflecting the seasonal trend. Index for the week ended October 31 showed a substantial improvement jumping from 75.61 to 78.21.

These index numbers, compiled by Jones, Heward & Co., Montreal, show actual loadings adjusted for long-time trend and for seasonal variations.

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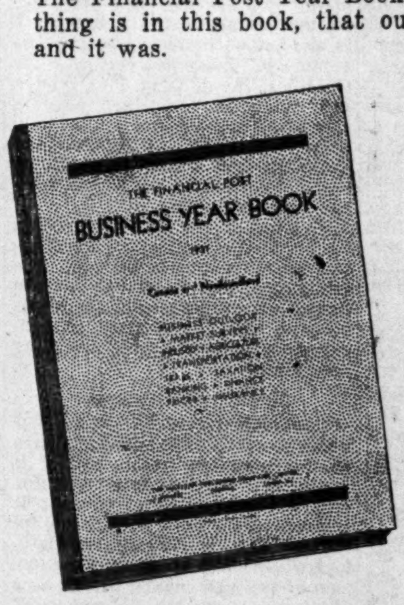
Everything is in This Book

One man asked, another for information regarding the taking over of a certain bank. Taking up The Financial Post Year Book he said: "Everything is in this book, that ought to be in it," and it was.



Foreign Trade
Corporation Taxes
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The Business Year Book of 1931 is of particular interest to business men who want facts and not guesses when searching for new markets for their goods, and for accurate and up-to-date economic data about Canada and about Newfoundland. The 1931 Business Year Book is larger than any of its six predecessors due to the enlargement and revision of every chapter and the new features it contains. Over 220 pages. A few copies left. $2.00.

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Sherlock Holmes
solves the problem of the
KINGSTON MARKET

The Adventure of the OBVIOUS MEDIUM

Showing that the Kingston Whig Standard is the only medium covering a prosperous and entirely self-contained marketing area midway between Montreal and Toronto.

"Kingston" said Holmes conclusively, pointing to the map, "is the undisputed trading centre of an entirely self-contained marketing area and the Whig-Standard is the OBVIOUS MEDIUM for any advertiser to use who wishes to reach this area."

"But how do you infer the Whig-Standard as the obvious medium for an advertiser to use?" I asked.

"It is the only daily newspaper published in the entire area," he answered.

"And the daily papers from other cities?" I queried.

"All published at too great a distance to be personal to these people. The Whig-Standard is their own."

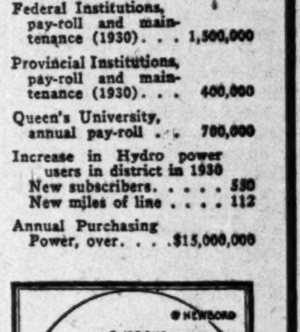
"Furthermore, my dear Watson, Kingston is surrounded by eight considerable towns — Gananoque, Napanee, Picton, Deseronto, Harrowsmith, Odessa, Verona, Sydenham — and a countryside of rich farm and dairy land . . . a prosperous market with an annual purchasing power of over $15,000,000 which is steadily growing."

"And the whole area looks to Kingston for its news and goods and inspiration?" I queried.

"Precisely, my dear Watson," Holmes replied.

Kingston is Growing

Building Permits (1930) $1,056,986
Harbor Expenditures (1930)
Government Work . . 735,000
New Elevators . . . 1,250,000
Federal Institutions, pay-roll and maintenance (1930) . . . 1,500,000
Provincial Institutions, pay-roll and maintenance (1930) . . . 400,000
Queen's University, annual pay-roll . . . 700,000
Increase in Hydro power users in district in 1930
New subscribers 550
New miles of line 112
Annual Purchasing Power, over . . . $15,000,000



The Kingston Whig-Standard
The Only Daily Paper in the Kingston Trading Area

N. BAWLF GRAIN LOSS IS LOWER; RETIRES BONDS

The Working Capital is Smaller; Bank Loan is Higher

EXECUTIVE CHANGES

Shareholders Are Asked to Authorize Creation of $500,000 Bond Issue

N. Bawlf Grain Co. had a loss on operations of $8,152 in the year ended July 31, 1931, as compared with loss of $257,172 in the preceding year. Provision for depreciation, payment of bond interest and preferred dividends to December 1, 1930, increased deficit for the past year to $135,994 which compares with deficit of $500,704 in the preceding year. Surplus carried forward was reduced to $431,682 from $567,084.

Volume of business during the first part of the season was satisfactory but later became greatly reduced. This reduction, combined with the fact that realizations were not as satisfactory as expected, resulted in the operating loss shown. Drastic economies are stated to have been effected commensurate with the maintenance of an efficient service.

The consolidated income and surplus account for the past two years is as follows:

Income and Surplus Account As at July 31

	1931	1930
	$	$
Operating loss	8,152	257,172
Add: Depreciation	51,318	51,244
Bond interest	30,337	32,288
Property adjust.	2,887	......
	92,694	340,704
Add: Pref. divds.	43,300	130,000
Spec. reserve	......	30,000
Deficit for year	135,994	500,704
Prev. surplus	567,084	1,067,788
Over-provision for 1930 income tax	591	......
Surplus forward	431,682	561,084

Bank Loans Advance

Current assets are shown at $1,543,326, including cash surrender value of life insurance at $141,753 and prepaid expenses of $9,552. Current liabilities amount to $1,364,122 and on this basis ratio of current assets to current liabilities is 1.13 to 1 as against 1.52 to 1 in 1930. Current liabilities have increased to $1,364,122 from $675,676 due to bank loans which are up to $1,218,000 from $443,100 while accounts, payable and accrued, are down to $146,122 from $210,876 and there is no accrual of preferred dividends carried at $21,700 in 1930.

Among current assets, the chief change is in inventories of grain and coal which are up to $1,129,337 from $425,462. Freight, storage and other charges against grain in country and terminal elevators are down to $98,675 from $168,979, while advances secured by grain amount to $23,651 and those not secured by grain are shown at $16,122. Sundry trade accounts are up to $46,166 from $36,763; clients' accounts, fully margined, are up to $32,379 from $19,732 while amounts owing from correspondents have been reduced to $38 from $14,775. Cash at $45,653 compares with $37,127 shown in 1930.

Retires Some Bonds

Investments and memberships remain at $340,603 while fixed assets are carried at $2,773,299, slightly higher than in 1930. Some additions were made to country elevators at a cost of $74,717 but these were chiefly replacements of elevators destroyed by fire, a large proportion of the value of which was recovered from insurance companies. Country elevators, after depreciation reserve of $99,006, are valued at $1,392,234; terminal elevator, after depreciation of $101,699, is carried at $1,357,106 while office furniture and automobiles, at depreciated value, amount to $23,959.

During the year the company retired $30,000 of the 6½ per cent, series A bonds of its subsidiary Bawlf Terminal Elevator Co., leaving $260,000 series A bonds outstanding and $205,000 of series B bonds. Capital stock outstanding remains unchanged and consists of $2,000,000 of 6½ per cent preferred stock of $100 par value and 60,000 shares of no par value common carried at $60,000. Capital surplus on reorganization of $296,425 and special reserve of $40,000 remain unchanged while earned surplus is down to $431,682 from $567,084.

Changes in Management

Shareholders of N. Bawlf Grain Co. will be informed of certain changes in management, as yet not disclosed, and will also be asked to approve creation of a $500,000 bond issue at an annual and special meeting to be held November 23. The annual meeting was originally set for November 17 but in view of the fact that a special meeting to approve the bond issue will have to be held it has been decided to combine both on November 23.

The new bonds will not be offered publicly but will be used as collateral. They will be backed by the country elevators of Bawlf Grain Co. which itself has no bonds outstanding at present. At July 31, 1931, however, the company's balance sheet showed $465,000 of bonds of Bawlf Terminal Elevator, a subsidiary.

Liberal Bonus Offered On Purchase of Rams

In order to improve the quality of sheep raised in Ontario the federal and provincial governments are offering to pay a bonus of from 5 to 10 dollars to bona fide sheep raisers on all purchases of pure-bred rams, the grant being borne equally by Ottawa and Toronto authorities. Ontario farmers thus have an excellent opportunity of replacing grade rams with pure-breds at very little cost, though the offer also extends to farmers already using pure-breds who need to make a change.

Details regarding the scheme and application forms are now in the hands of all county agricultural representatives and also with some 300 breeders in Ontario.

The bonus of $10 on a $25 ram, in addition to the sales value of the grade ram being displaced, will mean but a small cash outlay for the farmer and the plan is expected to result in great improvement in the quality of Ontario stock

Now Produced-in-Canada

The only distinguishing feature of the new made-in-Canada Packards is the hubcap, which bears the name "Packard Motor Car Company of Canada Limited." The first car came off the assembly line at Windsor last month and except for the hubcap looks exactly like its American brothers and sisters.

DOMINION TAR MISCELLANEOUS BUSINESS HOLDS

Sales of Creosoted Ties Show Considerable Reduction

From Our Own Correspondent

MONTREAL.—Though sales by Dominion Tar and Chemical Co. of creosoted ties have fallen off considerably this year, owing to restricted operations of the railways, it is understood there has been a fair volume of diversified business for the creosoting division. Ties, though they play an important part in creosoting activity, are not the only product of the processing units and there has been a relatively encouraging demand for poles and various kinds of lumber.

To what extent the falling off in tie production will affect earnings this year, remains to be seen. The company does not publish interim figures on earnings and there has been no official statement to indicate at what level profits are being maintained.

Spends on Expansion

Dominion Tar and Chemical has undertaken considerable expansion in the past few years and it is doubtful if revenue from new and enlarged properties at present is commensurate with the outlay involved. During 1930 approximately $825,000 was spent on the erection of two new plants, one at New Westminster and the other at Swift Current, while extensions were made to existing plants at North Vancouver, St. Boniface, and Cornwall.

Further, early in 1930 the company acquired all the outstanding shares of Calders (Canada) and also a further substantial interest in Alberta Wood Preserving Co., and Canada Creosoting Co., subsidiaries of Dominion Tar. These actions, however, did not involve a capital outlay but were accomplished through the issuance of additional preferred stock.

New Plant is Active

The latest addition to the company's properties is a phenol manufacturing plant in Toronto which was recently completed for a sum of about $250,000. This unit is now in commercial production and it is stated that a satisfactory market for output is being developed. Sales of phenol to manufacturers of bakelite provide a valuable backlog for output but a diversified market for allied products manufactured in the new Toronto unit is becoming apparent.

The widened scope of Dominion Tar's activity together with the consolidation of its various subsidiaries was indicated in the balance sheet published at the end of 1930. Fixed assets were higher by $2,232,265 at 10,949,824. An additional $1,500,000 of 6 per cent debentures was issued during the year, bringing the total amount outstanding to $5,500,000, preferred stock stood at $5,035,000 compared with $4,600,000 in the previous year, while all the preferred stock of Alberta Wood Preserving Co., $410,700, made its first appearance in Dominion Tar's balance sheet.

Net Earnings Higher

Net earnings last year at $1,681,683 were higher than those of the previous year by about $129,000. After all deductions there remained a net profit of $820,972 or the equivalent, after provision for dividends on the preferred stock of Alberta Wood Preserving Co., of $15.72 a share on Dominion Tar and Chemical's preferred stock. Payment of preferred dividends left common stock earnings of $1.70 a share, which compared with $2.34 a share in 1929.

INDUSTRIAL FAIR PROMISES TO BE MECCA OF EMPIRE

Opens February 22, 1932, Divided Into Three Sections

The British Industries Fair, which will open on February 22 next year, for two weeks, promises to eclipse all its predecessors in the range of Empire products that will be displayed. The number of exhibits reported to have booked space already runs into the thousands.

Started in 1915, the fair is the largest national trade exhibition in the world. Everything shown is British, and only the actual manufacturers of an article or the sole agents are allowed to exhibit, so that there is no duplication, while for the further convenience of buyers great care is taken to group the various displays suitably.

The fair is divided into three sections, the arrangement roughly being that the "light" industries exhibit in London and the "heavy" industries in Birmingham, two hours journey from London, in the heart of the huge and growing industrial area of the Midlands.

At Olympia, the big permanent exhibition buildings in London, there will be displayed such goods as cutlery, silver plate, jewellery, pottery and glassware, furniture, stationery, leather and fancy goods, toys and sports goods, scientific instruments, musical instruments and wireless apparatus, chemicals, perfumes and soaps and foodstuffs. Each class of exhibits is conveniently grouped and to each is attached an officer of the Department of Overseas Trade who will be at the service of the buyers.

New Textile Section

Five minutes' journey by special motor coach from Olympia, will be the new textile section at the White City. This had its beginning in the very successful cotton section last February, and now it is to embrace all the other textile industries.

At Castle Bromwich, on the outskirts of Birmingham, are the exhibits of the metal, hardware, electrical, constructional and engineering industries, housed in permanent exhibition buildings which cover 13 acres of land. New sections at Birmingham next year are to include cycles and motor cycles and quarry and roadmaking plant.

For buyers from countries abroad there will be special reception rooms, a staff of interpreters and a club at Olympia for their exclusive use.

Advance Catalogues

A special edition of the catalogue for buyers from abroad has an index in nine languages and an advance edition of the London catalogue is available every year on January 1, so that the intending visitor may have it before actually coming to the fair.

An analysis of the overseas buyers' cards for the London sections of the last fair showed that 75 countries were represented as compared with 70 in 1930. Out of 26 European countries, 21 sent more buyers than in the previous year, three out of the remaining five sending the same number as before. The Fair's ability to flourish in years of trade depression has been one of its marked characteristics. Exceptionally low prices may be expected to be an attraction next year and the organizers anticipate the usual increased attendance.

AVERAGE VALUE OF POUND, $4.26

Value For Next 15 Days as Declared By Revenue Dept.

The average value of the pound sterling, for determining the amount of the special "exchange" dumping duty for the period from November 16 to 30, has been declared by the Department of National Revenue to be $4.26.

This announcement is in accordance with the plan instituted by the Canadian government last month whereby the pound sterling was given a fixed value of $4.40, the amount of the special duty to be the difference between this and an average of the actual value of the pound as declared by the Department of National Revenue for each fortnightly period.

Under the present declaration the "exchange" duty will therefore be 14 cents on each pound sterling of value imported; the duty for the first half of the month being 3 cents. This special duty applies to goods imported from the United Kingdom of a class or kind made in Canada.

New Service Station Chain

A new chain of gasoline stations operated by the recently incorporated National Service Stations, Ltd., will soon be making their appearance in Toronto. The first station has just been completed immediately adjacent to the Dundas highway bridge on land purchased from the township of York. B. Verrochio is president of the new company, and J. P. Manley the secretary-treasurer.

Brokers Now Fear Irresponsible Lenders

Ban on Brokers' Loans For Account of "Others" Proposed in U.S.—Canadian Brokers Discover Banks of Canada Most Dependable

Considerable interest is shown by Canadian brokers in the proposal now before the New York Clearing House Association to ban brokers' loans for the account of "others." At one time, in 1929, corporations and wealthy persons had nearly $4,000,000 in the call money market. In fact, the large increases in money available for stock market speculation in the years up to and including 1929 were mainly attributable to these funds made available by various companies and wealthy individuals.

Dangers likely from this great release of irresponsible credit were often emphasized by bankers, but they were not listened to in the hey-day of the bull market. Profits were very attractive and call money rates went as high as 20 per cent at some times and for a few years the companies made far more money in this way than they could have obtained by spending it in expanding their own business.

The principal danger emphasized was that these "others" had no responsibility to the market. In the last two weeks of October, 1929, these "others" reduced their loans to brokers by the enormous sum of $1,432,000,000, leaving the banks to carry the load. By the end of November $2,000,000,000 had been taken away.

Chary of Foreign Money

Recent advances in the New York call money rate from 1½ to 2½ per cent brought corporation money back into the call loan market. Memory of its 1929 flight prevented this readiness to lend being received with cheers. If the clearing house adopts this proposal it does not always close the call money market entirely to corporations and others. They can place their funds through private banks and non-clearing house institutions. It will greatly curtail the facilities for making such loans, however.

If the Canadian dollar recovers its former position on an equality with the American dollar, it might mean that more of that money would be available in Canada. Canadians, however, after the experience of McDougall & Cowan and Greenshields & Co., are apt to be chary of loans from the United States until at least the Canadian exchange is on a sound basis.

It has been the custom for many corporations and individuals with considerable surplus money to offer large sums of it to trust companies in Canada to loan at call. At times the rates have been very attractive as compared with rates charged by Canadian banks. In times of stress, however, the Canadian banks have proved the more dependable. They have not been over-enthusiastic about receiving back old customers who left them for the easier money from the United States but they have been far more understanding of the problems of Canadian brokers and when they "call" loans it has been usual to give a reasonable time. It is freely predicted in brokerage circles that it will be many a long day before call loan money will be borrowed from United States sources again.

HAT GREENHOUSES EARNINGS DROPPED SOMEWHAT IN 1931

Continues to Add to Reserves; Current Position Sound

Medicine Hat Greenhouses, Ltd. experienced a drop in net earnings during the year ended July 31, 1931, net being reported at $34,317 as compared with $55,811 in the previous year. Preferred and common dividends were maintained, provision for depreciation was slightly increased and added to reserve for contingencies. Surplus carried forward was reduced to $17,279 from $40,582 in 1930. Preferred shares earned $1.72 as against $8.31 per share in 1930.

The company grows, wholesales and retails cut flowers and small vegetables and has a market extending from Port Arthur, Ont. to British Columbia. Greenhouse is located at Medicine Hat and a retail store is operated in this city as well as in Lethbridge. Reduction in the company's earnings is largely the result of business conditions in the area in which it operates.

The income and surplus account of the company, for the past two fiscal years, is as follows:

Income and Surplus Account As at July 31

	1931	1930
	$	$
Net earnings	34,317	55,811
Less: Depreciation	25,383	24,996
Income tax res.	727	2,305
Contingency res.	2,500	......
Net profit	5,707	28,510
Less: Pref. divds.	24,010	24,308
Com. divds.	5,000	5,000
Deficit	23,303	798
Add: Prev. surplus	40,582	41,380
Surplus fwd.	17,279	40,582

Total assets of the company, at July 31, 1931, are shown at $392,996 of which $85,016 is termed current; $3,203 is deferred charges and $304,777 is in plant and equipment. Current liabilities are shown at $7,043, of which $5,286 is miscellaneous. Current assets consist of $4,958 in cash; $14,586 in accounts receivable; $11,408 in investments at cost and $7,500 in contingent fund investments. Inventories are shown at $46,564, of which $39,300 is stock in greenhouses.

Plant and equipment are valued at $370,259 of which $239,335 is in greenhouses and plant and $118,670 is in machinery and equipment. After deduction of reserve for depreciation amounting to $80,925, plant and equipment are carried at $289,334 while real estate is valued at $15,443 in addition. Deferred charges consist of unexpired insurance and prepaid taxes.

Among liabilities three reserve funds total $16,675 which includes $8,447 reserve for appreciation of site; $728 reserve for income tax and $7,500 reserve for contingencies. There are 3,320 shares of $100 par value 7 per cent preferred stock outstanding of an original issue of 3,800 shares; 480 shares having been redeemed for sinking fund. There are 20,000 ordinary shares of no par value outstanding, carried at $20,000. Surplus amounts to $17,279.

Canada Census, 1931

Preliminary returns of the seventh census of Canada, as reported by the Dominion Statistician, show population in cities and towns as of June 1, 1931, compared with the 1921 census figures, with percentage increase or decrease. Figures for 1931 subject to revision.

POPULATION OF CANADA (Preliminary Figures)

	1931	1921	*Inc. %
Cities:			
Dawson, Yukon	817	975	—16.21
Grand Forks, B.C.	1,234	1,469	—12.59
Greenwood, B.C.	170	371	—54.18
Prince Albert, Sask.	9,886	7,558	30.80
Sudbury, Ont.	18,370	8,621	113.08
Towns:			
Antigonish, N.S.	1,634	1,746	—6.41
Beauport, Que.	3,233	3,240	—.22
Courville, Que.	1,676	1,293	29.62
Frood Mine, Ont.	173	....	....
St. Tite, Que.	1,956	1,783	9.70
The Pas, Man.	4,016	1,858	116.09
White Horse, Yukon	539	331	62.84

*Or decrease.

David et Frère Sales Show Improvement

From Our Own Correspondent

MONTREAL.—Sales of David et Frère, biscuit manufacturers, have shown some improvement recently though business in the summer months was not entirely satisfactory. Competition has been strong but it is understood that an agreement among manufacturers, effective November 1, will tend to curb the drastic price-cutting which has narrowed profits in the past year.

The decline in the company's earnings has found reflection in dividend disbursements which were reduced in August from an annual rate of $2.25 a share on the class "A" stock to $1 a share. There are 23,000 shares of "A" stock outstanding.

During the current year additional machinery has been installed in the company's plant which permits increased production and lower operating costs. The poor state of the biscuit market, however, has not allowed David et Frère to realize fully the benefits of this expansion.

Earnings in 1930 were equal to $4.66 a share on the "A" shares and $1.66 a share on the "B." No payment has yet been made on the junior securities.

Gypsum, Lime Extend Shareholders' List

From Our Own Correspondent

MONTREAL.—Gypsum, Lime and Alabastine report an increase in the number of shareholders from 1,776 in 1929 to 3,982 as at September this year. The average share holding, brought about through this distribution, has decreased from 247 shares per shareholder to 113 shares.

It is reported that shares in brokers' names have shown a material decrease, amounting to about 50 per cent at the end of September last or the total at the beginning of the year.

River Valley Lumber Busy

The River Valley Lumber Co. Ltd., the only concern within a short distance of Fredericton which is operating extensively this year, has established four camps with crews of about 60, all told. The winter's cut is expected to run to 5,000,000 superficial feet—about the same as last year.

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Return of the Chartered Banks of the Dominion of Canada, September 30, 1931

LIABILITIES

NAME OF BANK	Notes in Circulation	Balances Due to Dominion Government	Advances under Finance Act	Balances Due to Provincial Governments	Demand Deposits in Canada	Savings Deposits in Canada	Deposits Elsewhere	Bal. due to other banks in Canada	Due to Banks in U.K.	Due to Banks Elsewhere	Bills Payable	Letters of Credit outstanding
	$	$		$	$	$	$	$	$	$	$	$
Montreal	35,231,530	13,317,029	....	5,475,168	158,901,754	397,238,405	72,137,945	2,101,981	1,028,509	11,334,772	324,738	8,593,131
Nova Scotia	12,680,169	562,975	4,000,000	596,487	35,024,801	131,905,242	31,172,499	2,651,027	266,798	2,374,563	277,406	4,696,634
Toronto	6,467,179	130,572		1,063,907	6,562,779	67,431,533		658,897	219,498	1,838,415	528,000	1,053,381
Provinciale	3,842,402	96,516		66,254	5,532,451	36,046,393		3,514		97,814		14,445
Commerce	24,966,229	982,402		291,986	129,643,560	291,968,252	40,245,456	1,568,348	848,025	24,992,860	357,337	14,683,187
Royal	31,653,867	1,722,212	12,000,000	5,481,177	155,991,107	298,147,400	166,467,217	1,219,927	748,761	19,650,774	3,886,047	30,525,404
Dominion	6,460,703	157,644		478,418	31,668,378	67,282,344	1,783,299	765,199	841,643	1,617,494	2,150	1,292,506
Nationale	10,003,754	332,541	3,500,000	1,619,631	21,140,932	91,028,752	1,277,001	1,613,070	78,9[illegible]6	383,212	....	431,716
Imperial	8,332,050	596,978		3,044,844	28,935,462	73,509,145	13,000	2,066,571	503,968	1,687,154		697,900
Barclays (Canada)	270,520	26,332			874,016	961,440		46,411	403,201	1,524,781		68,617
Total	139,908,403	17,925,201	19,500,000	22,117,872	594,275,249	1,455,518,906	313,097,017	12,694,945	4,939,359	65,501,779	5,375,678	62,056,921

NAME OF BANK	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities	Capital Authorized	Capital Subscribed	% Last dividend	Loans to Directors, and firms of which they are partners	Average gold and Coin Held	Average Dominion Notes Held	Greatest amount of notes in Circ.
	$	$	$	$	$		$	%	$	$	$	$
Montreal	1,966,869	25,132	38,000,000	36,000,000	781,676,967	50,000,000	36,000,000	12	3,625,998	26,845,567	43,023,398	37,085,726
Nova Scotia	139,172	484,768	24,000,000	12,000,000	262,832,488	15,000,000	12,000,000	16	2,661,865	9,490,672	6,180,301	13,523,314
Toronto	100,425	2,069	9,000,000	6,000,000	121,062,660	10,000,000	6,000,000	12	1,726,862	385,850	4,751,137	6,789,474
Provinciale	31,753	6,571	1,500,000	4,000,000	51,238,117	5,000,000	4,000,000	9	602,776	274,783	421,415	4,077,972
Commerce		25,020	30,000,000	30,000,000	594,572,676	30,000,000	30,000,000	12	6,416,940	9,943,000	13,211,000	25,994,183
Royal	105,664	39,224	35,000,000	35,000,000	797,638,787	50,000,000	35,000,000	12	3,616,671	14,593,182	16,232,647	32,987,074
Dominion	446,310	211,085	9,000,000	7,000,000	129,007,177	10,000,000	7,000,000	12	1,563,622	1,017,000	5,425,000	6,965,018
Nationale	....	5,429	7,000,000	7,000,000	145,415,568	10,000,000	7,000,000	12	739,480	1,082,322	1,773,570	10,228,584
Imperial		1,144	8,000,000	7,000,000	134,388,250	10,000,000	7,000,000	10	244,256	911,975	1,599,426	8,755,015
Barclays (Canada)	6,320	....	500,000	500,000	5,181,641	500,000	500,000	12		12,857	18,624	293,285
Total	[illegible]802,513	800,442	162,000,000	144,500,000	3,023,014,331	210,500,000	144,500,000	......	21,198,470	64,557,208	94,636,518	146,698,855

ASSETS

NAME OF BANK	Current Gold and Subsidiary Coin	Dominion Notes	Notes of other banks	United States and other foreign currencies	Cheques on other banks	Balances due from other banks in Canada	Due from banks in U.K.	Due from banks elsewhere	Government securities	Canadian municipal British and foreign securities	Railway and other bonds and Stocks	Call loans in Canada	Call loans elsewhere
	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	26,818,992	55,367,324	1,015,568	383,143	27,231,020	3,836	687,662	32,363,524	145,022,[illegible]60	58,985,772	10,740,690	11,251,264	24,417,620
Nova Scotia	9,405,802	5,532,139	977,415	1,202,549	7,891,704	....	282,152	6,960,242	41,987,326	16,450,094	11,182,758	4,130,151	6,039,801
Toronto	388,439	5,730,837	493,710	35,939	5,379,686		155,404	982,651	25,554,985	7,826,171	2,576,888	6,893,320	
Provinciale	275,390	455,553	494,275	41,424	1,760,445	1,894,409	24,677	127,265	7,770,105	5,211,767	3,851,764	5,557,168	
Commerce†	17,590,107	12,758,026	1,891,775	94,782	18,49[illegible],721	22,235	536,824	30,615,960	103,753,989	20,521,744	13,543,878	60,441,170	19,684,056
Royal‡	14,143,184	20,304,442	968,582	13,083,963	20,893,633	1,104	1,441,587	32,759,195	70,806,284	26,071,442	13,296,007	47,31[illegible],198	37,504,880
Dominion	1,012,626	3,959,150	716,675	64,542	4,424,316	1	106,072	1,841,794	19,759,676	4,972,712	2,885,911	11,358,002	1,949,238
Nationale§	1,068,981	1,847,840	454,285	84,611	4,947,996	306,247	6,491	567,935	1,828,451	10,855,770	3,274,286	10,044,853	....
Imperial	779,035	4,194,652	734,445	36,792	5,870,316	604,722	241,975	2,353,063	18,658,832	5,046,541	185,668	9,442,478	
Barclays (Canada)	13,663	237,178	9,260	1,954	317,301	1,098,384	114,743	208,586	787,180	158,213	10,199	138,115	500,000
Total	71,496,219	110,387,141	12,055,990	14,929,699	97,211,138	3,933,938	3,597,587	108,780,215	455,928,988	160,100,226	61,548,049	166,575,719	90,095,595

NAME OF BANK	Other current loans in Canada	Other current Loans elsewhere	Loans to provincial governments	Loans to municipalities	Non-current loans	Real estate other than premises	Mortgages on real estate	Bank Premises	Letters of Credit	Deposit for note circulation	In central gold reserves	Shares of and loans to controlled companies	Other assets	Total assets
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	268,746,834	33,054,362	14,346,455	35,978,929	6,747,690	429,847	1,294,457	14,500,000	8,593,131	1,692,109	6,000,000	1,832,240	121,115	785,625,757
Nova Scotia	87,660,822	14,446,733	2,313,366	9,087,375	530,372	....	118,569	8,206,974	4,696,634	561,885	1,500,000	2,697,457	108,213	263,970,542
Toronto	55,164,637	....		4,772,507	314,977		40,974	3,727,126	1,053,381	297,673	930,866	....	....	122,320,179
Provinciale	18,880,551			1,544,013	151,800	457,103	497,307	2,208,681	14,445	198,500	200,000		222,899	51,839,548
Commerce†	311,872,797	20,533,549	5,396,299	25,986,642	759,564	2,160,824	1,110,328	15,294,559	14,683,187	1,250,000	8,000,000	3,895,230	343,614	598,135,870
Royal‡	201,235,610	122,777,768	3,410,536	13,088,407	913,248	[illegible]16,965	[illegible]60,884	17,222,696	30,525,404	700,000	3,000,000	6,308,913	502,595	805,456,539
Dominion	64,482,349	1,741,214		1,943,005	390,247	49,787	15,511	6,084,228	1,292,506	332,475	200,000		101,737	129,683,790
Nationale§	62,996,227	69,406	5,430,975	11,355,142	181,576	154,379	715,138	5,800,245	431,716	355,283	3,000,000		106,340	146,884,192
Imperial	63,463,881	....	2,088,612	8,037,132	320,285	168,300	495,309	6,421,695	697,900	414,805	1,400,000		193,518	136,349,965
Barclays (Canada)	2,006,819			....	....		....	....	68,617	11,424	....	....		5,181,641
Total	1,136,510,527	192,623,032	32,986,243	114,793,151	10,309,759	6,337,205	6,248,477	79,466,204	62,056,921	6,814,154	24,230,866	14,733,840	1,700,040	3,045,448,019

Column No. 26. Of this deposit $12,530,866 is in gold coin; the balance is in Dominion notes.

*The business of the bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

†The figures of The Canadian Bank of Commerce (California) are incorporated in the above statement.—Footnote to Canadian Bank of Commerce return

‡The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris, and the assets and liabilities of the Royal Bank of Canada (France) are included in the above general statement.—Footnote to Royal Bank return.

§The assets and liabilities of the Banque Canadienne Nationale, France, same being considered a branch operating as a subsidiary of the Banque Canadienne Nationale are included in above return.—Footnote to Banque Canadienne Nationale return.

SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

Vol. XXIV | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, NOVEMBER 14, 1931 | 10c a Copy; $5.00 a Year | No. 46

HIRAM WALKER EARNINGS DOWN UNDER DIVIDEND

Asks Protection Against Imported Spirits Making Inroads

FINANCES STRONG

Stored Spirits Increase to 15,000,000 Gallons — No Immediate Expansion Intended

Net profits of Hiram Walker-Gooderham & Worts for the year ending August 31, 1931, amounted to $1,060,882 as compared with $2,757,164 in 1930 and $4,117,668 in 1929. Common dividends paid amounted to $2,310,000 as compared with $2,640,000 in 1930 and $1,971,249 in 1929.

The net result of the company's year therefore was that, after common dividends, there was a net deficit of $1,249,118 as compared with a net surplus of $117,164 in the preceding year and $2,146,419 in 1929. The company's accumulated surplus has, therefore, been dropping from $7,084,174 in 1929 to $6,868,479 in 1930 and to $5,340,282 in 1931 after deduction of income tax in each year. Thus, earnings on 2,640,000 no par value common shares outstanding dropped from $1.56 a share in 1929 to $1.04 a share in 1930 and again to 40 cents a share in 1931.

Consolidated Income and Surplus Account Years Ended August 31
(Parent company and wholly-owned subs.)

	1931 $	1930 $
Net profit*	1,060,882	2,757,164
Less appropriations:		
Common divds.	2,310,000	2,640,000
Surplus for year†	**1,249,118	117,164
Add: Prev. surp.	6,868,479	7,084,174
Less: Inc. tax (prior year)	279,079	332,859
Bal. carr. for'd.	‡5,340,282	‡6,868,479

*After provision for depreciation, bad and doubtful accounts and contingencies, but before income tax.
†Before providing for income tax.
‡Before providing for dividends payable September 15, $660,000 in 1930, and $330,000 in 1931.
**Debit.

Dividends Exceed Earnings

Until the last quarter of the fiscal year dividends were paid at the rate of $1 a share, but on the payment due June 15, 1931, the rate was reduced to 50 cents a share with a payment of 12½ cents. If the present rate is maintained throughout the present year dividend requirements on the common stock will be $1,320,000 as compared with actual net profit in 1931 of $1,060,882. The company's strong financial position has enabled it to pay dividends much beyond what were earned, but the drop in the dividlend rate is an evidence that an early return to former earnings is no longer expected with confidence.

W. J. Hume, president, under date of November 3, in his report to shareholders discusses this matter in the following words:

"The restricted earning and purchasing power of the public has inevitably resulted, as with many other classes of industry, in reduced earnings in the distilling industry. Not only has the demand turned from goods in the higher-priced ranges to those retailing at lower prices, on which the profit to the distiller is comparatively much smaller, but the Canadian Liquor Commissions, as a result of the severe depression in various countries abroad, have been able to purchase and sell imported liquors at lower figures.

Asks Increased Protection

"In their annual report last year your directors drew attention to the large quantities of beverage spirits imported into Canada, and the very serious nature of the competition resulting therefrom. Imports of these spirits are still very large, the figures for the year ended March 31, 1931, being 1,990,574 proof gallons. The utmost tariff protection which the Canadian distillers receive against competition from imported products is equivalent to approximately 11 per cent., while in certain cases there is no protection whatsoever, and in the case of British rum—and also, quite recently, Australian brandy—imports to all intents and purposes are actually subsidized to the extent of $1 per proof gallon which preference these products receive as against similar goods of domestic manufacture. If the distilling industry in this country is to regain and hold a proper share of the home market, some action by the Dominion or the Provincial Governments which might remove or modify this most unfair competition is essential."

Increases Spirits Inventories

Mr. Hume, referring to the arrangement concluded with Canadian Carbonate, Ltd., states that carbon dioxide recovered from the Toronto distillery will supply practically the whole of the Ontario market.

Working capital on August 31, 1931, was $16,477,445 as compared with $17,742,785 in the previous year and $18,027,653 two years earlier. However, current assets of $17,369,515 were 19.47 times current liabilities of $892,070 whereas a year earlier current assets of $18,783,313 were 18.05 times current liabilities of $1,040,528 and two years earlier current assets of $19,342,986 were 14.71 times current liabilities of $1,315,333.

The situation is somewhat more favorable than it seems. On August 31, 1930, the company had among its inventories 14,500,000 proof gallons of spirits which were valued at $8,087,858 whereas on August 31, 1931, 15,000,000 gallons of spirits were valued at $8,034,982. In other words, the storing of half a million gallons of proof spirits additional was accompanied by a slight reduction in the valuation given the spirits though there would be a larger proportion of matured spirits. Inventories of grain are down from $188,077 to $79,022, representing the decline in grain values, while bottles, etc., are down from $1,683,375 to $1,578,573.

No Expansion at Once

In June, 1929, the company offered rights to its shareholders which resulted in it receiving cash of more than $9,000,000. Considerable interest for more than a year was shown by the stock market in the ultimate disposition of this money. It was intended in the first place for expansion of facilities and obtaining interests in other companies but conditions changed and the company retained the amount as cash in its current assets. On August 31, 1930, it was still available for taking advantage of real opportunities which might occur. There was then shown in the cash item $5,558,363, but on August 31, 1931, this was down to $121,537. In the meantime there was an increase of Dominion of Canada bonds from $2,226,552 to $6,179,665. This would seem to indicate that projects formerly held in view are for the time being at least in abeyance. They are not ruled out, however, as bonds held as of 1933 and 1934 maturities.

During the same period accounts receivable advanced from $881,365 to $1,184,693. Accounts and bills payable went up during this period from $380,528, including government taxes, to $562,070. On account of the dropping of the dividend rate from $1 a year to 50 cents a share per year the dividend payable on September 15, 1931, was $330,000 whereas at the end of the previous year provision was made for $660,000.

Plant and equipment at $8,478,230 show little change from the previous year, but the reserve for depreciation on plant and equipment and contingencies has been increased from $4,186,696 to $4,589,549.

Liquidating Small Competitors

Shares in wholly-owned subsidiaries, such as Hiram Walker & Sons Ltd., of Walkerville, and Gooderham & Worts, of Toronto, are still shown at $12,000,000 on the balance sheet. On August 31, 1930, controlled companies' shares were shown on the balance sheet at $257,636. In the latest balance sheet there are two items, one of $282,181 for investments in associate companies—Dominion Carbonic Co. of Toronto, Canadian Carbonate of Montreal, Jas. & Geo. Stodart of Glasgow and Stirling Bonding Co. of Glasgow. Another item of $439,215 represents investments in Sarnia Distilleries, National Distilleries, Lindsay Distilleries and Dominion Factors. Recent reports indicate that the latter company is being wound up. No reference, however, is made to this in the balance sheet which expresses the situation as it existed at the end of August. With reference to the shares in the Sarnia, National and Lindsay Distilleries, Mr. Hume states that this is a small interest acquired. It is the intention of the company to remove to its own premises its shares of the stocks of whiskey in these plants after which the businesses are to be liquidated.

Working Capital

	1931 $	1930 $
Current assets	17,369,515	18,783,313
Current liabs.	892,070	1,040,528
Working capital	16,477,445	17,742,785
Ratio	19.47—1	18.05—1

Legitimate Lenders Called To Organize To Curb Loan Sharks

Just how easy it is to side-step the meagre legislation afforded in Canada against the operation of loan sharks, was brought clearly home to us during the past week. A lady wanted to borrow $150 so she read through her daily newspaper and was attracted by a company which offered boldly to loan money immediately without security on short notice for legitimate purposes. She paid a visit to the companys' office and the next day someone came to her house and handed her the money, whereupon she signed what she believed to be a chattel mortgage on her household furniture and agreed to pay $22.50 a month for ten months to cover the cost of the loan.

Worked out in simple interest the rate she was paying for her loan was 138 per cent per annum, but we have got so used to hearing of such rates being charged that we were not unduly surprised. The amazing part of the transaction was disclosed when a lawyer had occasion to check over her property and found, that in order to avoid liability under the usury laws, the loan shark company had had her sign not a chattel mortgage but a bill of sale so that in effect she had really sold to them over $1,000 worth of furniture for $150. Presumably if the monthly payments were maintained they would return the furniture to her by filling out another bill of sale document but otherwise of course the furniture would be seized. So well is this particular type of trickery organized that the loan was made out in favor of an individual who operates a large second-hand furniture store in the city, so that once a borrower failed to make the usurious monthly payment, little time would be lost in getting the furniture turned into cash.

Same Plan For Car Loans

An exactly similar type of business is being operated in another large city although in this case the loans are made on automobiles and apparently no pains are taken to cover up the fact that the lender is to purchase your automobile (which you may still drive) for the amount of the loan—say $100—and upon completion of the monthly payments to sell it back to you for the tidy sum of $195 (payable in monthly installments). He thus avoids the charge of usurious interest rates, because the transaction is not a loan at all.

What can be done about this situation?

Enough has been indicated in this and preceding articles to demonstrate without a shadow of doubt that some definite constructive action must be taken in Canada to stamp out the usurious loan shark firm and at the same time to encourage legitimate firms to enter and expand in this field. There is no doubt that hundreds of thousands of salaried workers and wage-earners in Canada are just as much entitled to borrow money as more wealthy citizens who because of the possession of collateral are able to use chartered bank facilities, and also experience has proven that these people are by and large just as good risks as the wealthier borrowers.

Different to Chartered Bank Loan

What is not recognized in Canada is the fact that this type of loan along with installment buying and other forms of what is called "consumer credit" is an entirely different class of business to that carried on by chartered banks who really "wholesale" money to producers rather than "retail" it to consumers. Accordingly it cannot be confined within the usual limits of bank interest rates and if not encouraged by the enactment of more liberal laws permitting interest rates which in terms of simple interest range from 15 to 40 per cent, it of necessity is driven into the hands of usurious loan shark companies operating in the manner described in this and previous articles, and charging anywhere from 50 to 200 per cent.

We have already pointed out that at the present time interest rates are governed in Canada by antiquated federal laws and in addition there are general usury laws in various provinces which are designed for the redress of those who feel they have been usuriously treated. These provincial laws, however, are entirely inadequate to cope with the situation for many reasons, chief of which is the fact that in order to become operative they necessitate the borrower airing his affairs in a public court which is exactly what most borrowers do not want to do, and secondly that they do not hit at the heart of the problem by providing active means to combat the loan shark and to encourage the operation of honest enterprises. In other words, hundreds of loan shark companies are now operating illegally under provincial charters and there is no way (except through the costly one of trial and error) that borrowers may be safeguarded and have assurance that such companies are operated on sound, legitimate lines. This makes the situation difficult not only for the public but for the honest companies who are trying to operate this type of business along sound lines.

Jurisdiction Problem Crops Up Here

One fundamental difficulty which seems to make a solution difficult in Canada is the possible conflict of jurisdiction between the provinces and the Dominion in this matter. What has been called "permissive" legislation is already available to small loan companies who wish to incorporate under Superintendent G. D. Finlayson at Ottawa, but there is the probability that if federal authorities were to go any farther in this regard they would find themselves faced with a similar problem to that which has now caused an impasse in insurance jurisdiction in Canada. So far the provinces have done little or nothing to study and assist in finding a solution.

In the United States as a result of the splendid offices of the Russell Sage Foundation (an entirely disinterested organization) a model small loan act has been put on to the statute books of some 25 states and has gone far to overcome this problem and encourage legitimate concerns into this growing and important field. Lacking such a beneficient organization in Canada the well-established firms already operating this type of business in Canada might well band themselves together with a view to presenting their case before both federal and provincial governments and in this way create a definite, informed body of opinion able and willing to enlighten and inform laymen, business men and legislators as to the possibilities and the abuses of this business.

One of the first steps objectives on the agenda of such an organization might be to arouse sufficient interest among provincial and federal legislators to ensure this subject being discussed at the interprovincial-federal conference which is shortly to be held. If some sensible agreement as to how legislation or control of this business should be handled, could be arrived at in this way, the groundwork would be laid for a prosperous industry which in ten years could undoubtedly reach very significant proportions and perform a real service to Canadian citizens, if the experience of countries such as the United States is any criterion.

Ontario Places Contract For Cape Breton Coal

From Our Own Correspondent

MONTREAL.—The Government of Ontario has placed an order for 6,500 tons of Cape Breton coal, which will be used in such public buildings as Toronto University, Osgoode Hall, and various hospitals and asylums, displacing United States bituminous coal previously used.

This contract was negotiated by H. J. Kelley, general manager of Dominion Steel and Coal Corp. There is a difference in price of $2.30 a ton as between United States and Cape Breton coal and this will be absorbed jointly by the Dominion Coal Co., the Federal Government, the Province of Nova Scotia and the Province of Ontario.

ESTIMATES 1931 TOBACCO CROP, 48,000,000 LBS.

Increase Over 1930 Crop, of Bright Flue-cured Alone, 70 p.c.

Tobacco production estimates for 1931 covering the whole of Canada appear in a preliminary report issued by the Dominion Bureau of Statistics in co-operation with the tobacco division of the Dominion Department of Agriculture. The estimates indicate that the crop will exceed 21,000,000 lbs. of bright flue-cured tobacco and 18,000,000 lbs. of burley, which figures compare with 12,384,000 lbs. and 13,287,750 lbs., respectively, in 1930. The entire increase in flue production has taken place within the new belt of Ontario.

The season in the new belt has been most favorable, with the result that the flue-cured crop is well above the average in yield and as a whole, has the best quality of any crop yet produced in Ontario. Warm weather and rainfall were well distributed and the leaf generally is very bright in color, with good size, body and aroma. A few of the late crops were damaged by high winds and those crops on the cold-bottom failed to cure up bright. The old belt (Kent and Essex) flue crop suffered somewhat from drought during the growing season. Late rains induced a second growth which somewhat injured the quality.

Burley Yield High

The yield per acre of burley has been high and the leaf is of excellent quality. It is expected to yield a higher percentage than is usually the case of the bright, thin, cigarette grades. The quality of the dark appears to be very good. The cigar leaf crop in the Quebec district suffered considerably from grasshopper infestations.

Production in British Columbia has more than doubled, both burley and bright flue sharing the increase.

The bright flue-cured market in the new belt opened on October 6. With the exception of a few special crops purchased previously on a "top-price-plus" basis, prices ranged from 30 cents down to 13 cents. This is approximately 25 per cent lower than the prices prevailing in 1930. The cause of this depreciation in value may be attributed to the large increase in production coupled with a temporary restriction of export buying resulting from the collapse of sterling. Notwithstanding this restriction it is estimated that close to five million pounds have been earmarked for export to the United Kingdom. This may be compared with a total export of less than two million pounds of the 1930 flue-cured crop.

In the following table are summarized the preliminary estimates of production of the various types. Data on the acreage involved are held over, pending the issuance of the decennial census figures.

Tobacco Production in Canada, 1931
Preliminary Estimate
(000's omitted)

Type:	Que. lbs.	Ont. lbs.	B.C. lbs.	Total lbs.
Bright fl.-cured	...	21,070	100	21,170
Burley	...	18,370	90	18,460
Cigar leaf	4,800	460	..	5,260
Dk. air-cured	...	350	..	350
Dk. fire-cured	...	610	..	610
Large pipe	1,770	...	..	1,770
Small pipe	610	...	..	610
Totals (000 lbs.)	7,180	40,860	190	48,230

CANADA HOUSING WILL CONSIDER SALE OF ASSETS

Bondholders Asked to Exchange Holdings For New Bonds

Transfer of assets of Canada Housing Corp. to Montreal Property Corp., another subsidiary of Canadian Terminal System, Ltd., will be considered by holders of the 6½ per cent mortgage bonds, due 1943, at a meeting to be held in Toronto on November 24. Proposal has been made that bondholders should exchange their present holdings for bonds of the purchasing company.

There is $139,000 of 6½ per cent mortgage bonds outstanding on which interest has not been paid since November 1, 1930. Under the agreement of purchase it is proposed that bondholders shall receive interest at 3 per cent per year from November 1, 1930, to date of exchange. Present bonds would be exchanged for an equal principal amount of ten year first and general mortgage bonds, series A, of Montreal Property Corp. These new bonds would bear interest at the annual rate of 3 per cent for the first three years, 4 per cent for the next two years and 5 per cent for the remaining five years to maturity.

Proposed to Make New Issue

Security for the bonds of Montreal Property Corp. would be a first mortgage on certain improved properties in Montreal and Toronto and by a floating charge on all remaining assets of the purchasing company including assets to be acquired from Canada Housing Corp. In addition to the $139,000 series A bonds, it is proposed to issue up to $450,000 of series B bonds of which $173,800 will be presently issued. The series B bonds would rank equally, as to security of principal, with the series A bonds. Trustee for the new bonds has not been announced.

It is proposed to issue $173,800 of series B bonds to holders of the 6 per cent gold debentures of Canada Housing Corp. The series B bonds would bear interest only when earned up to a maximum of 3 per cent per year for the first three years, 4 per cent for the next two years and at a fixed rate of 4 per cent for the next five years; interest being cumulative for the first five years. Interest on the 6 per cent debentures of Canada Housing Corp., due 1948, has not been paid since September 1, 1930.

Montreal Property Corp. owns some 28 houses in Montreal operated on the central heating plan. Of 4,000 common shares of no par value outstanding, Canadian Terminal System Ltd. owns 3,995 shares. No statement of assets and liabilities has been made public. Canada Housing Co. owns some 76 houses in Toronto. Control of the company also rests with Canadian Terminal System and no financial statement has been made public. The extent to which properties owned by the two companies are subject to first mortgages has never been stated.

Booster of Bi-Metallism Replies to Silver Sceptic

Editor, The Financial Post.

Your correspondent, "Silver Sceptic," is a delightful propounder of conundrums and when he asks why is not remonetization of silver a matter of indifference to the Chinaman who owes nothing—who owns nothing—who wants nothing—and who consequently is perfectly happy—it must be conceded that he gets right to the centre of the target and the only answer is, "It is—or maybe it isn't."

But all the Chinamen don't fall into the happy category just specified—certainly those dying of starvation must be excluded and if the "Sceptic" has any doubts on this point he may be persuaded to lend an ear to the remarks of Francis L. Harden, M.D., M.A., late adviser in military medicine and chemical warfare, Nanking, and late associate editor, The China Press, Shanghai, which appeared in the London Financial Times of September 23:

"Unable to purchase from England, the Chinese are manufacturing for domestic needs and are exporting cotton goods not only throughout Asia and Africa, but into the Mediterranean basin also; customs house returns published at Shanghai show cotton shipments to Alexandria, Beyrout, Smyrna and Constantinople. Our excellent customer has been reduced to the condition of a needy competitor.

"India is today selling for 1s. 1d. per ounce silver purchased from America in 1920 for 4s. 2d. Incidentally, that silver was not paid for—it is one small item of the great war debt. At the same time, India has placed an import duty of 50 per cent ad valorem upon silver, apparently with the sole object of closing one great market and further crippling China's currency. Manipulate words as we will, these are the facts.

"I am convinced that only by some sane, considered measure relative to silver can civilization be saved from the destitution and misery that I left in China three weeks ago."

It would be idle to traverse most of "Sceptic's" questions because very ingeniously and veiled in a thin veneer of innocent enquiry he effectively deals with most of them. Nevertheless he is obsessed with some lingering doubts as to the accuracy of these self-determined conclusions and apparently would welcome confirmation by some other equally independent searcher after the truth.

The final paragraph of his letter contains the essence of his somewhat plaintive queries and for the benefit of those who have not read his letter the following extract is made:

"In brief, what absolute assurance have we that any scheme to remonetize silver will work any more than schemes to control copper production, to maintain the price of wheat, to create prosperity through public spending, etc.? That is what I would like to know and if I can get adequate answers to my questions, I may be quite prepared to join the silver parade."

He is much too promising a recruit to be left running loose outside of the remonetization fold and in the hope of adding him to the ever swelling ranks the following is submitted with all the deference due to one so obviously anxious to thoroughly satisfy himself before taking the plunge.

If the controlling nations suddenly decided that no more copper must be used for electrification in spite of the fact that there is no other substitute possessing those combined characteristics of suitability and availability which pertain to copper, then the demand for that metal would "ipso facto" sustain a terrific reduction and its production, by any known method, would no longer be profitable.

But copper and wheat must not be confused because they lie in two distinctly different classes. Until transmutation of metals becomes commercially feasible the world can only draw on those supplies of copper already created by Providence—and we know that the supply must perforce be definitely limited. Copper cannot be resurrected from a seed. In the case of wheat we have the nitrogenous soil and the selected favorable locations and no limit can be set to the possibilities in this direction because of the immense supplies of soil and nitrogen.

It is true that aluminum or alloys of that metal may supplant copper in some of its fields of use and there is no lack of silicate of aluminum. Such substitution would be perfectly legitimate if economically advantageous but copper producers are not apprehensive on this point at the moment for reasons that need not be stressed here.

For countless generations silver has been used as money and still is used in that capacity by more than half the population of the earth. International counterfeiting has robbed silver of its place in that respect and no substitute with the same intrinsic value has been found to replace it.

What the world asks for is justice. The ravagers of silver have impoverished the world to the tune of several billion dollars in the hope that they, the despoilers, would profit themselves to that extent. But the "biter is bit" and in the present widespread chaos—and economic disequilibrium—they may review their handiwork.

Can any one doubt that restoration of those stolen billions of purchasing power to the world would fail to create a new-born and long-lived prosperity?

H. S. DENNY.

Toronto, October 30, 1931.

Chemical Research Corp.

Long Overdue Statement From President F. F. Beall as to Company's Position Proves a Dud —No Audited Report Yet

After a lapse of two and a half months, punctuated only by intermittent and re-assuring correspondence from F. F. Beall, president of Chemical Research Corp., The Financial Post and shareholders have finally received the long-awaited statement of that company's position.

The statement is of little or no value at all in giving information as to the true position of the company.

It will be remembered that a few months ago, The Financial Post published several articles in the interests of shareholders of this supposedly $7,000,000 company, demanding that more information be given and suggesting that if this were not forthcoming, shareholders should form a protective committee to look after their interests. As a result of this, F. F. Beall came to Toronto and discussed frankly the company's situation with The Financial Post and promised that he would send detailed information as to the company's financial position, its prospects, and its operations. We submitted a carefully prepared questionnaire, which is reproduced subsequently in this article, and a few weeks later Mr. Beall wrote to us telling us he had just returned from out of town and "would take up immediately his answer to our letter." He added, "I hope to have it in your hands sometime the latter part of next week."

Statement Finally Appears

A week later, Mr. Beall told us he had prepared the statement to stockholders but after talking it over with the secretary of the company, thought it should be passed upon by the board of directors. To make a long story short, the statement finally appeared dated October 26 and has doubtless been received by all shareholders.

The statement contains virtually no answers to the questions submitted by The Financial Post with perhaps the exception of question 6, in which we asked for a brief statement giving Mr. Beall's opinion as to the company's position and prospects, at the present time. In other words, beyond learning that "the officers of the company look forward with confidence and hope to the future, for a wide use of the process which is now demonstrated in practice" and an inference that the board of directors is to shortly discuss the question of dividends, no specific information as to the company's financial position, nor any audited report, either on Chemical Research Corporation or Gyro Process Company, (both of which were promised) has been received.

The Financial Post questionnaire and the statement to shareholders are published herewith as follows:

The Financial Post Questionnaire

(1) What is the capacity and approximate daily production of units actually using your process at the present time and on which royalties are collected? How many units are installed and by whom are they owned?

(2) Without disclosing the actual royalties paid by individual users of the process or other information of a strictly confidential nature, can you give us an audited statement showing revenue and expenditures of Gyro Process Co. in recent years and also a similar statement of its assets and liabilities?

(3) Can you give us as much actual data as possible concerning recovery now being obtained under your process with comparative figures showing how this has been increased in recent years? How do the results now being obtained by your company compare with results of other companies holding competitive processes? In other words what is your answer to the charge that Gyro Process is an expensive and wasteful process particularly in view of the present low prices of crude and general over-production?

(4) What concisely are the merits of gasoline made by your process as compared to other well-known processes? Any official figures as to rating of various kinds would be appreciated.

(5) Will you give as much detail as possible regarding the royalties situation as it affects your company both in the United States and elsewhere? What, for instance, is the normal rate of royalty that the company can expect to obtain on units installed (a) by other members of the patent club (b) from those already licensed by your company (c) by those in the United States not in any of these categories (d) by companies in foreign countries? Would such royalties for the most part be on a sliding scale with the rate decreasing as higher production is reached? Also, what exactly are your company's relations with the so-called patent club?

(6) Could you give us a brief statement for publication, stating your own opinion of the company's position and prospects at the present time? We would like this to include reference to work accomplished and yet to be done regarding patents; possibilities in industrial field; reference to what we discussed this week as to the elements of uncertainty still present in the company's outlook as against the progress already made; information to offset reports that Pure Oil and McColl Frontenac are using less rather than more of your process.

(7) Finally details of the license agreements already made by your company with concerns which have not yet installed converters, with particular reference to dates at which such agreements expire. You mentioned for instance that your Shell agreement expires in July, 1932. Does this mean that the future of your company as far as this particular corporation is concerned, will be definitely settled by that time? The pros and cons of the situation would seem to be that if Shell cannot obtain as good a product as yours in that time, at a cheaper price, the possibility is that Shell would take steps to install a converter before the expiry of its agreement. On the other hand if Shell let this agreement expire it would mean virtually "thumbs down" as far as your process and this company is concerned. Is this a correct picture?

President Beall's Statement

The statement issued by Mr. Beall follows:

We have had a number of inquiries from our stockholders in regard to the prospects of the company. These inquiries are no doubt prompted by present quotations of the stock.

It is very hard these days to find much encouragement in any line of business. The oil business in the States, probably more than any other business, has been badly hit by general over-production coupled with the bringing in of new fields which has reduced the price of petroleum products to the lowest point in many years and I think it is safe to say there are few companies that are making any money.

It is generally believed that the oil industry is one of our most important basic industries. There is hardly any activity in our social or business life today that can be carried on without using petroleum products in some form. With the control of over-production difficulties which now confront the industry, I believe that business in the petroleum industry will move forward on a very sound and profitable basis.

The demand for high grade anti-knock motor gasoline is becoming greater. All large refiners are turning their attention to the production and sale of anti-knock gasoline.

The Pure Oil Company's new Gyro refinery at Toledo, Ohio, has been running now for some months and the results are all that they had hoped for in the yields from the Gyro units.

You will remember in our last report that it was stated that a method of coking the heavy residues, which had been developed by the Gyro Process Company to be operated in connection with the regular converters, was being installed at Toledo. The operation of these coking towers, which carries the heavy residues down to dry coke, has now proven a great success and will increase the yields of end point Gyro distillate from 32-34 gravity gas oil from 52 per cent to approximately 62-64 per cent. This marks a new milestone in the development of the Gyro Process and produces a product with a higher octane number than that of any other process that we know of.

Combining this improvement with the polymerization or liquefaction of the fixed gas, which has been developed by the Pure Oil Company in the same refinery, the total yields we expect will exceed 72 per cent from 32-34 gravity Mid-Continent gas oil.

The Tampico refinery of the Anglo Mexican Oil Company started in July with the operation of one converter. The second converter was put into operation about a month later and both have been in continuous operation since.

You will also be interested to learn that we have sold another Gyro converter unit for installation at Mexico City.

In these days, no single patent as a rule is worth very much but it is necessary to cover by development work each step of operation and very often these patents prove most valuable. The licenses under the Gyro Process today are protected by quite a number of patents covering each step in the operation of the process.

Few oil companies at the present time are anxious to make capital investments but with any improvement in business conditions, the officers of the company look forward with confidence and hope to the future for a wide use of the process, which is now being demonstrated in practice.

A meeting of the board of directors is called for early in November to discuss the question of dividends.

CAN. MOTOR LAMP DIVERSIFIES OUTPUT

Makes Garden Tools For Chain Stores; Gets New Business

Canadian Motor Lamp Co. has entered upon a policy of diversification of output and has developed a line of garden sets, snow shovels, trowels, weeders, etc., designed for sale in chain stores. A substantial volume of business in these lines has already been developed with several of the largest chain store organizations in Canada and the company proposes to add three or four additional items to its list of products each year.

Through the addition of new lines it is hoped to give the company a complete diversification which will aid in keeping the plant in operation during the periods when the volume of business on the company's regular line of automobile accessories is reduced. This will have the effect of rendering the earnings of the company less sensitive to abrupt changes in the automobile industry.

Several large contracts are reported to have been closed for new business on the company's regular lines, including an increase in the amount of equipment supplied by the company for each Ford unit. It is stated that the operating basis of the company should be maintained at a satisfactory ratio until the end of January, 1932.

Ottawa Ready to Act on Gas Combine Probe

From Our Own Correspondent

OTTAWA.—Formal application, under the Combines Investigation Act, for an investigation into the price of gasoline in Western Canada, is expected to reach Ottawa this week from the three prairie provinces.

The application will be made by the premiers of the three prairie provinces, unless some change of plan takes place, and will be the first to come to the capital under such distinguished auspices.

During the past few months there has been widespread dissatisfaction in the West with the price of gasoline and it is contended that the business is in the control of the big four oil companies. Hence the demand for an investigation. The application, of course, will be granted immediately.

Canadian Investors Dividend is Reduced

Quarterly dividend payable on the common stock of Canadian Investors Corp. has been reduced from 25 cents to 15 cents per share with the payment made on November 2. Passing or reduction of dividends on some securities held in the trust's portfolio is stated to have made necessary the action taken by the company.

Dividends have been paid at the rate of $1 per annum since initial payment was made on May 1, 1930. In the year ended January 31, 1931, the 100,000 shares of no par value common stock outstanding earned $1.15 per share.

SILVERWOOD'S PROFITS RISE FOR HALF YEAR

Position of Company Has Been Strengthened Since 1930

IS CONSOLIDATING

Expects Preferred Dividends Will be Earned Thrice—Reducing Outstanding Obligations

Silverwood's Dairies, Ltd., for the first six months to September 30 of its fiscal year, made net profit before income tax of $392,619 after depreciation as compared with $290,208 in the same period of 1930 or $350,208 for that period in 1930 if dividend guarantee fund of $60,000 is included. Including the North Bay and Sudbury companies, which have recently been taken into the holding company, net profits on the same basis amounted to $409,813 for the six months to September 30, 1931, as compared with $308,643 (excluding dividend guarantee) for the same period in 1930.

Income Statements April to September

	1930 $	1931 $
Total	566,634	655,414
Divid. guarantee	60,000	......
	626,634	655,414
Less: Head office assess.	48,200	60,150
Organization	2,634	3,600
Depreciation	225,593	199,045
Net profit*	350,207	392,619

*Before income tax.

Net Profit (including North Bay & Sudbury)

	1930 $	1931 $
Total	592,966	681,705
Divid. guarantee	60,000	......
	652,966	681,705
Less: Head office assess.	49,550	61,900
Organization	2,634	3,600
Depreciation	232,140	206,392
Net profit*	368,642	409,812

*Before income tax.

Unit Turnover is Larger

The Financial Post is informed by A. E. Silverwood, president Silverwood's Dairies, Ltd., that the unit turnover of the company will be considerably higher this year than last although the dollar turnover will be less. In plants where greatest dependence is on creamery operations totals were down in 1930 and are further down in 1931. This is largely due to the unprofitable price of 20 cents a pound for butter.

Storage business was affected by tariff changes last spring as import of green products was discouraged almost to the vanishing point. Just at present storage business is near capacity and the prospects for profitable sales of creamery butter through the coming winter have improved because present stocks were purchased at lower prices than last year.

The depreciation of $225,593 for six months in 1930 compares with $199,046 in 1931. Last year's write-off was larger than normal and it is stated that the write-off for the whole year will probably be $320,000 for all twenty companies held by Silverwood's. This rate compares very favorably with other companies operating in the same field as Silverwood's.

May Earn $600,000

The dividend guarantee item refers to a personal guarantee given by A. E. Silverwood to all but the first six of the twenty companies taken into the holding company to pay the 8 per cent dividend for a period of five years. As it appeared that a few of the companies in 1930 were going to fall short of dividend requirements, Mr. Silverwood paid in $30,000 and was prepared to pay another $30,000 on call. The call, it is understood, was never made. The dividend is further protected in that A. E. Silverwood is carrying $200,000 life insurance as further collateral to this guarantee. The net improvement in 1931 was without calling for a dollar of this guarantee. Including the two North Bay and Sudbury companies, it is hoped that the company will have a net income available for dividends of $600,000 for the year. Whether this expectation is realized or not, the company has already earned its entire dividends for the year. Directors at a board meeting last week further improved the position by authorizing the purchase and retirement of $40,000 of preferred stock.

Liquid Position Improving

The weak spot in last year's financial statement was the liquid position. The balance sheet will not be available until after the end of the fiscal year on March 31, 1932, but it is understood on official authority that mortgages of $199,500 have been reduced and outstanding bonds of $252,000 also brought down considerably. By the end of the year the management expects that it will have paid off all bank loans as it is now using $200,000 less banking accommodation than a year ago.

The purchase of North Bay and Sudbury companies add $60,000 in preferred stock only, the balance of purchase being adjusted on the basis of Class "A" stock. This will be nearly offset by the acquisition of $40,000 of outstanding treasury preferred.

The company has 5,000 shareholders, including 99 per cent of employees who bought 12,500 shares of Class "A" stock last February and a large number of producers. No Class "A" stock is being offered the general public and sales now made are of stock already placed but for which a market is desired.

In the last two years Silverwood's Dairies has not bought a single company. The entire attention has been turned to consolidating the position attained by the rapid expansion of previous years.

The management expects that preferred dividend requirements will be earned nearly three times this year.

NOVA SCOTIA OPENS NEW 'PEG BRANCH

Portage Avenue Premises Are Extension of Old Branch

The fine new addition to the Bank of Nova Scotia premises, Portage and Garry Streets, Winnipeg, has now been completed and opened for business last week. The new building is an extension of the original bank, extending westward on Portage a distance of 44 feet and carried back to the lane 130 feet. Total frontage is approximately 100 feet.

The new building is three stories in height, the second and third floors being used for rental purposes, a portion of which is occupied by the Western Inspection Department of the bank.

The banking room occupies the whole of the ground floor with the exception of the entrance hall, together with a mezzanine floor, which is carried along the westerly and southerly sides. This mezzanine floor is used by the office staff for general bookkeeping and stenographic work. The bank staff occupies the centre of the banking room proper with the public space carried around the outer sides. Special provision is made for the savings department.

DIVIDEND NOTICES

Nova Scotia Light and Power Company Limited

Preference Dividend No. 14

Notice is hereby given that a dividend of one and one-half per cent (1½%) for the quarter ending November 30th, 1931, has been declared upon the 6% Cumulative Redeemable Preference Stock of the Company, payable December 1st, 1931, to shareholders of record at the close of business November 14th, 1931.

By Order of the Board.

C. J. HAYES, Secretary.

Halifax, N.S., November 3rd, 1931.

Borden's

COMMON DIVIDEND No. 87

A quarterly dividend of seventy-five cents (75¢) per share has been declared on the outstanding common stock of this Company, payable December 1, 1931, to stockholders of record at the close of business November 14, 1931. Checks will be mailed.

The Borden Company

WM. P. MARSH, *Treasurer.*

The Canadian Bank of Commerce

Dividend No. 179

Notice is hereby given that a dividend of Three per cent on the paid-up capital stock of this Bank has been declared for the quarter ending 30th November, 1931, and that the same will be payable at the Bank and its Branches on and after Tuesday, 1st December next, to shareholders of record at the close of business on the 31st day of October, 1931. The Transfer Books will not be closed.

By Order of the Board,

S. H. LOGAN, General Manager.

Toronto, 16th October, 1931.

DIVIDEND NOTICE

The British American Oil Company Limited

NOTICE is hereby given that the regular dividend of Twenty Cents (20c) per share has been declared on the issued No Par Value capital stock of the Company for the fourth quarter ending December 31st, 1931. The above dividend is payable, in Canadian funds, January 2nd, 1932, to Shareholders of record at the close of business on the 12th day of December, 1931. Transfer Books will be closed from the 14th to the 31st of December, both days inclusive.

Share Warrant Holders will present Coupons Serial No. 7 to The Royal Bank of Canada, Toronto, Canada, on or after January 2nd, 1932.

By Order of the Board.

P. W. BINNS, Secretary

DATED at Toronto, November 10th, 1931.

Canadian Pacific Railway Company

DIVIDEND NOTICE

At a meeting of the Board of Directors held today a dividend of one and one-quarter per cent on the Ordinary Capital Stock for the quarter ended September 30, 1931, was declared payable December 31, 1931, to Shareholders of record at three p.m. December 1, 1931.

By order of the Board,

ERNEST ALEXANDER, Secretary.

Montreal, November 9, 1931.

The Bank of Toronto

DIVIDEND No. 201

Notice is hereby given that a dividend of three per cent upon the Paid-Up Capital Stock of this Bank has been declared for the current quarter, and the same will be payable at the Bank and its branches on and after the first day of December next, to shareholders of record on November fourteenth, 1931.

The Annual Meeting of shareholders will be held at the Head Office of the Bank on Wednesday, the twentieth day of January next, the chair to be taken at Noon.

By Order of the Board.

H. B. HENWOOD, General Manager.

IMPERIAL OIL, LIMITED

DIVIDEND

NOTICE TO SHAREHOLDERS AND THE HOLDERS OF SHARE WARRANTS

Notice is hereby given that a dividend of twelve and one-half cents (12½c.) per share, has been declared by the Directors of the Company and that the same will be payable in respect of shares specified in any share warrant of the Company of the 1929 issue within three days after the Coupon Serial Number THIRTY ONE (31) of such share warrant has been presented and delivered to ANY BRANCH OF:

THE ROYAL BANK OF CANADA

such presentation and delivery to be made on or after the 1st day of December, 1931.

Payment to Shareholders of record at the close of business on the 14th day of November, 1931, (and whose shares are represented by share certificates of the 1929 issue) will be made on or after the 1st day of December, 1931.

The books of the Company for the transfer of shares will be closed from the close of business on the 14th day of November 1931, to the close of business on the 30th day of November, 1931.

BY ORDER OF THE BOARD,

F. E. Holbrook, Secretary.

56 Church Street, Toronto, Ontario.

CANADIAN PACIFIC MAKES PAYMENT AT REGULAR RATE

Gain in Car Loadings Strengthens Outlook for Road

From Our Own Correspondent

MONTREAL.—Declaration of a dividend on the shares of Canadian Pacific Railway at the rate which has been in effect since May this year, namely 31¼ cents quarterly, has relieved the minds of many shareholders. Wide declines in revenue had tended to throw some doubt on the company's ability to maintain disbursements even at the new rate of 5 per cent annually or half the old dividend paid since 1911.

The broad rise in the price of wheat in recent weeks and the stimulation which this will have on trade has already found reflection in car loadings; the outlook for C. P. R. is consequently improved to some extent. The shares have tended to discount this situation and have risen in active trading to levels of around 20.

Plan New York Sailings

While traffic receipts from rail activities are showing improvement, the company has laid down comprehensive plans for steamship operations this winter. Canadian Pacific has scheduled 39 sailings from New York alone in the five months period when the St. Lawrence will be closed to traffic, the largest list ever issued by the company.

The service to Bermuda has been increased this year by the addition of a second "Duchess" steamer. Both the Duchess of Atholl and the Duchess of Richmond will be operated on this route from January 11 to April 29, providing a bi-weekly service to Bermuda. The large number of West Indies cruises also contributes to the general increase in sailings from New York.

The Bermuda service will comprise 26 trips in each direction during the winter sailings from New York.

Empress of Britain Cruise

The Empress of Britain will make her first appearance in New York on November 27 and will leave six days later for a round-the-world cruise.

West Indian cruises will commence on December 2 with the departure of the Empress of Australia. The Duchess of Bedford will also undertake similar service during the winter months out of New York.

Dec. 1 Marks Transfer of Royal Mint at Ottawa

According to an official announcement in the London Gazette, December 1 has been fixed as the date at which the Ottawa branch of the Royal Mint, Ottawa, will be turned over to the Canadian Government.

Legislation was passed early this year by the federal government paving the way toward such a step and providing that in future Canada will mint her own coins in the institution which has been a branch of the Royal Mint since its inauguration in 1908. Complete details of this important step and what is involved in the transfer were given in The Financial Post of July 2, 1931.

Canada Northern Power Secures Three Contracts

From Our Own Correspondent

MONTREAL. — During the past month, Canada Northern Power Corp. has obtained three power contracts—one for Granada Gold Mines, one for Kirkland Lake Townsite Gold Mines, and the other with Mining Corporation of Canada to serve the new gold field at Matachewan.

The company's progress during the past 12 months has been featured by an increase in the number of customers served of over 8 per cent. The company is now engaged on a programme of extension of its lines and sub-station equipment in order to meet the growing needs of its customers.

NOTICES

MANUFACTURERS WITHOUT SATISFACTORY sales organizations in Nova Scotia please communicate with G. C. M., Box 1120, Halifax.

YOUNG MAN, 18 YEARS, MATRICULATION, compelled to discontinue school, desires office position. Exceptionally good references. Box 295, The Financial Post, 153 University Ave., Toronto.

Accountant with several years' experience desires position with reliable firm. Best references supplied. Box 294, The Financial Post, Toronto

MANUFACTURERS

Ambitious young man, 30 years of age, with executive experience both in management and sales, highest references, desires to make connection with a reliable firm where there are future possibilities.

Personal interview gladly arranged. Communicate Box 297, The Financial Post, Toronto.

The Consumers' Gas Company of Toronto

NOTICE *of* ANNUAL MEETING

The ANNUAL GENERAL MEETING OF THE SHAREHOLDERS of The Consumers' Gas Company of Toronto, to receive the report of the Directors, for the Election of Directors for the ensuing year and for the transaction of such other business as may properly be transacted at the meeting, will be held in the Company's Auditorium, 55 Adelaide Street East, Toronto, on MONDAY, the 16th DAY OF NOVEMBER, 1931, at 12 o'clock noon.

By Order of the Board,

ARTHUR HEWITT, General Manager.

Toronto, October 23rd, 1931.

United Amusement May Cover Dividends

From Our Own Correspondent

MONTREAL.—Financial statement of United Amusement Corp. for the fiscal year ended August 31, 1931, will make its appearance shortly, and is expected to reveal earnings sufficient to cover the current dividend rate of $2 a share on the common stock. It is understood that profits have been on a slightly lower scale than in the previous period, when they were equal to $4 a share on the common stock.

United Amusement Corp. operates a chain of 20 motion picture theatres in and around Montreal. The company has made consistent progress and, with the advent of sound pictures, expanded its property and increased its revenue.

Increases Property Account

The growth of property account was revealed in the last balance sheet as at August 31, 1930, which showed land and buildings valued at $2,643,619 as compared with $1,301,549 in 1927.

The management has adopted conservative accounting policies in the past, and has made adequate provision for write-offs on account of leased equipment, franchises, and depreciation.

Figures Show Variation In Grain Firms' Profits

Outlook for Current Year Causes Managements to Tighten Belts and Defer Dividends

From Our Own Correspondent

MONTREAL. — Publication of financial statements of five leading grain companies for the last crop year affords an interesting illustration of the extent to which earnings of this industry are liable to fluctuate. In 1928-1929 the elevator companies experienced—probably the best year in their history only to be followed in the next twelve months by one of the most difficult periods they have ever been called on to face.

In the last crop year, grain companies showed an improvement, though in the main the improvement was only relative. Generally speaking, balance sheet positions were strengthened and substantial write-offs were made to aid depleted reserves.

Outlook Not Bright

The outlook for the current year is not encouraging, though a stronger wheat market naturally tends to benefit the industry. Managements are tightening their belts, however, and shareholders have been warned that handlings by elevator companies may be substantially reduced this year.

That lower earnings are anticipated is seen in the fact that all companies, with the exception of Reliance Grain Co., have deferred dividends on their preferred stocks in spite of the fact that two, Federal Grain and Western Grain, covered their preferred needs in the last crop year. Reliance Grain so far has been able to maintain its preferred disbursements and earned them comfortably in the year ended July 31, 1931.

Small Crop, Small Profit

Though increased wheat prices tend to eliminate the danger of inventory losses and works to the advantage of grain companies, the industry derives its revenue chiefly from handling grain at country and terminal elevators. A small crop means less handling and there is little these companies can do to improve their position in a small crop year other than cut expenses to the bone and wait for a better harvest.

The following table shows the extent to which profits have varied in the past three years. In each case the amount shown is net profit applicable to preferred dividends; in some cases the figure includes substantial write-offs. After all charges last year Alberta Pacific Grain and N. Bawlf Grain failed to cover preferred dividend needs.

	1931	1930	1929
Alberta Pacific	161,001	*1,145,921	1,033,217
N. Bawlf Grain	*92,694	*340,704	430,052
Federal Grain	213,646	*188,556	......
Reliance Grain	165,018	*8,478	640,788
Western Grain	162,411	*102,545	531,210

* Deficit.

ALGOMA STEEL'S MERCHANT MILL ON DOUBLE SHIFT

Rail Mill Has Been Closed Down Since August

From Our Own Correspondent

MONTREAL.—The two merchant mills of Algoma Steel Corp., subsidiary of Algoma Consolidated Corp., are reported to be fairly active and one of the mills is working double shift at present. It will be remembered that these two units were remodelled and extended at a cost of about $1,692,000 early in 1930.

The company's rail mill, an important unit in the structure, has been idle since the end of August. Though some orders are anticipated within the next few months, it is not expected they will be on a scale comparable to the past two years, since railways are likely to restrict their extensions to a minimum and withhold improvements, other than those which are absolutely necessary, until conditions improve.

Rail Mill Altered

The rail mill of Algoma Steel Corp. is now capable of producing 130 lb. steel rail, a weight which is favored by Canadian and American railroads at the present time. Substantial alterations were required to enable the manufacture of this rail, and about $1,250,000 was spent in completing the work.

Earnings of Algoma Steel in the year ended June 30, 1931, reflected the decline in steel production throughout Canada and the United States. Earnings amounted to $148,099 compared with $2,823,482 in the previous year. After all charges there remained a net deficit of $990,096 compared with a profit of $751,559 in 1930.

Dominion Steel Mines Report Heavier Hoist

From Our Own Correspondent

MONTREAL.—Dominion Steel and Coal Corp. reports an output of coal during the past month of 353,365 tons. This compares with 307,107 tons in the preceding month. All districts increased their output last month except Springhill.

Comparative figures for the two months follow:

	Sept.	Oct.
Dominion Coal Co.	206,741	228,773
Scotia	28,229	55,342
Springhill	43,390	34,750
Acadia	28,747	34,500
Total	307,107	353,365

The output for October, 1930, follows:

Dominion Coal Co.	336,580
Scotia	42,386
Springhill	49,371
Acadia	37,275
Total	465,612

Consolidated Paper Shares on the Market

From Our Own Correspondent

MONTREAL. — Common shares of Consolidated Paper Corp., successor company to Canada Power and Paper Corp., have been admitted to trading in the unlisted section of the Montreal Curb Market. Trading is on an "When, as and if issued" basis; 1,547,141 shares are to be issued under the reorganization scheme.

Some trading took place on the first day's listing, the stock being offered in board lots at 6½, while odd lots were offered at $6 a share.

Corporate Financing

Our distributing facilities are broad enough to handle all types of issues, both large and small, for those desiring capital through the sale of securities. References exchanged.

THE BROOKWORTH CO. Inc.
110 East 42nd St., New York, N.Y.

National Sewer Pipe Shows Higher Sales

National Sewer Pipe Co. is reported to have had an increase in sales during the year ended October 31, 1931, as compared with the previous year, while the margin of profit was maintained sufficiently to show net profit for the year at about the 1930 level or better. Within recent months the company has increased its production of electrical conduits. The annual report will be issued in the early part of December, it is expected.

Net earnings of the company in 1930 amounted to $233,993, before deduction for income tax. Earnings amounted to $7.23 per share on the class A shares on which the dividend rate is $2.40 per year. Public interest in the company is confined to the class A shares.

REGENT KNITTING SEEKS APPROVAL FOR RIVER WORKS

Current Sales Improve Though Past Period Difficult

From Our Own Correspondent

MONTREAL.—Regent Knitting Mills has applied for authorization to raise its already existing dam on the North River near St. Jerome, but it is understood construction work will largely comprise improvements to the dam rather than increase the amount of power which the company presently develops at this site.

The company formerly carried on operations in Montreal, but following completion of a new plant in St. Jerome in November, 1928, the manufacture of fancy knitted goods was transferred to that unit.

Current Sales Better

Current sales are reported to be on an improved basis, and it is understood that operations are being conducted at a profit. Conditions this year have been such, however, to preclude any appreciable betterment in earnings, though the company's balance sheet position has been strengthened.

During the year an improvement in cash position has been effected and some bonds have been redeemed. At the end of 1930, funded debt comprised $463,400 of six and a half per cent first mortgage bonds, as compared with an original offering of $600,000 in 1923.

Inventory difficulties, which proved a problem in the last two years, have largely been ironed out. This account has been substantially reduced in recent years, and at the end of 1930 stood at $794,156 compared with $1,212,041 in 1928.

Net earnings in 1930 were $61,653 compared with an operating loss of $7,736 in 1929. After all deductions, however, which included a reserve for depreciation of inventory of $42,146, there remained a net deficit of $101,711 in 1930.

Montreal Grain Shipments Gain

Grain receipts and deliveries at the port of Montreal continue on a larger scale than last year, the receipts to November 2 being 75,799,264 bushels, as compared with 67,010,567 bushels for the corresponding period of last year and the deliveries of 74,725,781 bushels as against 67,990,434 bushels.

ALBERTA'S DEBT FOR WHEAT POOL NOW $5,500,000

Premier Brownlee Gives Details of Liability Assumed by Province

ASSETS $8,000,000

Pool Will Issue to Province 20-Year 5 p.c. Bonds Secured by First Mortgage

Extent of the liability assumed by the Alberta government in respect of guarantees for financing the operation of the Alberta Wheat Pool is currently estimated at $5,520,162, against which the province holds as security Pool assets of something in excess of $8,000,000, according to a recent statement of Hon. J. E. Brownlee, Premier of Alberta. The debt represents the loss to be assumed by the province in connection with the over-payment on the 1929 wheat crop.

In order to protect the province the Pool is to issue to the province bonds for the amount involved, carrying an interest rate of 5 per cent, payable over a period of 20 years, security being in the form of first mortgages on all the Pool's assets. A settlement with the banks has been arranged whereby they receive 20-year provincial bonds bearing interest at 4½ per cent.

Dealing with the course of events leading up to the giving of the guarantees by the government, Mr. Brownlee states:

"It will be remembered that for several years the price of wheat ranged at prices very considerably in excess of $1 per bushel, with the result that the wheat pools, with the full approval of the banks of Canada, settled on the initial payment of $1 per bushel.

"When the pools approached the banks to make their final arrangements to handle the 1929 crop the price of wheat was still very much in excess of $1 per bushel, in fact $1.40 per bushel, and no one, either the banks or the grain world, had any fear of any rapid decline in price. As part of their financial arrangements the pools had to guarantee to maintain a 15 per cent margin over and above the initial payment which, in fact, meant that their stocks of wheat at the daily closing price, together with their cash reserves, had to be 15 per cent above the loans from the banks.

Pool's Position

"After the initial payment had been fixed and a substantial portion of the crop delivered to the pool, grain prices commenced their downward march, with the result that by the following January this margin of 15 per cent was seriously imperilled, and steps had to be taken by the pools to furnish additional security. Upon being approached the provincial governments went into the whole matter very thoroughly and we were convinced that unless the pool's position could be protected, very serious danger existed of panicky conditions arising on the Winnipeg Grain Exchange, with rapid and disastrous declines in wheat values which, of course, would be reflected upon farmers both within and without the pool.

"It cannot be too strongly emphasized that an organization handling 50 per cent of the entire Western wheat crop could not get into financial difficulties without very serious consequences to the price of the commodities handled. I, personally, have a very vivid recollection of the days spent during the latter part of 1930 when a similar situation arose with respect to that year's crop, which finally resulted in the Dominion government taking somewhat similar action to that taken in the preceding years by the provincial governments. During one week it was rumored that the pool might have to throw on the market some eight million bushels of wheat and there were two days of rapid decline—in one day the market breaking five cents and on another day breaking eight cents. Undoubtedly a large number of farmers not in the pool were sold out in those days through inability to protect their advances. When one considers the difference in level of prices between that period in 1930 and the earlier period when the provincial guarantees were first given, it is not hard to appreciate how sudden and great the decline might have been had similar fear been caused over the market."

Initial Payment 60 Cents

It was under these conditions that the provincial government undertook to guarantee the advances necessary to carry the Pool through the marketing season of the 1929 crop. This was carried on until the fall of 1930, when it became necessary to arrange finances for the 1930 crop. An initial payment of 60 cents was arranged that year. Mr. Brownlee describes the subsequent course of events thus:

"While this seemed at the time a perfectly safe initial payment, it soon transpired that the world depression had not been sufficiently understood and it was not long before this initial payment had to be dropped to 55 cents and then 50 cents, and the intervention of the federal government was then sought and obtained to carry the pools through that crop year.

$5,520,162 Maximum

"Without any more extensive review so far as the provincial guarantees are concerned, the situation is that with the sale of the 1929 crop the proportion of the loss to be assumed by the Alberta pool in connection with the overpayment on the 1929 crop has been ascertained. While certain adjustments may still have to be made, it can be definitely stated that the maximum indebtedness is $5,520,161.65. Certain possible adjustments of interest may reduce this to a somewhat smaller amount. A complete settlement has been arranged with the banks by which the province will issue to the banks its 20-year bonds carrying a rate of interest at slightly over 4½ per cent, these bonds to be accepted in full satisfaction of the banks' claims.

"In order to protect the province the Alberta pool will issue to the province bonds similar in amount but carrying an interest rate of 5 per cent payable over a period of 20 years, these bonds being secured by first mortgages on all of the pool's assets including the full line of country elevators; the terminal elevator at Vancouver, with respect to which there are still certain payments to be made to the banks on cost of construction; and all of the liquid assets of the pool such as cash on hand.

"At the beginning of this pool year the Alberta pool had cash on deposit and savings certificates between $1,500,000 and $2,000,000, but the province was obliged to allow this money to be used in financing this year's operations.

Assets $8,000,000

"According to the auditor's statement filed in the provincial legislature during the last session, a conservative estimate of the pool's assets would place them well in excess of $8,000,000, so that in effect the province has security on the assets of a going concern estimated at well over $8,000,000 for a debt of which the maximum amount will be $5,520,161.65. At the same time an agreement has been completed between the provincial government and the pool providing that the pool will take over all the obligation to the province; that is that payments will be made to take care of the interest obligations which the province has assumed with respect to the bonds issued to the banks, and payments into the sinking fund over a period of 20 years to ultimately retire those bonds issued by the province.

Two Reasons for Guarantee

"The provincial government was permitted to give a guarantee in the first instances because of two considerations:

"1. The consideration mentioned above in this article—to preserve an orderly market for the 1929 crop and prevent any panicky conditions arising which would result in great loss to the farmers generally, and

"2. The fact that some forty thousand farmers had, over a period of years by deductions from the sale of their grain, built up a large enterprise, and a desire to save this investment to the extent possible. As the province's liability is only a percentage of the total value of the assets thus built up over a period of years, it will be seen that the arrangement now completed gives an opportunity to those who have made this investment in previous years to preserve their investment.

"It is quite clear that if the pool is able to obtain sufficient volume of handling through its elevators to pay off the government's claim over a period of years, the entire structure will remain as an elevator company owned by those whose deductions in previous years built up the elevator organization and a large part of these deductions may in this way be saved.

"The government has every hope that under the reorganization effected at the beginning of this crop year the pool, under its present system of organization, will be able to take care of all obligations resting upon the provincial government in connection with this transaction."

HALIFAX HARBOR TRAFFIC ADVANCES

Returns for September Show Gain Over Last Year

From Our Own Correspondent

MONTREAL.—Halifax Harbor Commissioners report traffic over their piers for September last as being greater than for the same month last year.

In September, this year, 213 vessels berthed, as compared to 94 for September, 1930. This is an increase of 115.9 per cent.

The net tonnage of vessels arriving totals 577,435 tons as compared to 315,579 tons for September, 1930—an increase of 261,856 tons for 82.8 per cent.

The gross tonnage during September, 1931, totals 960,841 as compared to 521,358 for September, 1930—an increase of 419,483 tons, or 84.3 per cent.

Cargo Tonnage Greater

The cargo tonnage handled over Halifax Harbor Commissioners' Piers in September, 1931, was 50,404 as compared to 44,134 tons for 1930—an increase of 6,270 tons,, or 14.2 per cent.

The quantity of mail is the only class of traffic to show a decrease, 360 bags being handled in September, 1931, as compared to 451 in September, 1930—a decrease of 20.2 per cent.

Passengers arriving and departing numbered 4.073 in September, 1931, as compared to 1,851 for the corresponding month in 1930. This is an increase of 120 per cent.

Railway Earnings

Week Ended Nov. 7:

Gross:	1931 $	1930 $	Decrease $
C. P. R.	3,468,000	4,565,000	97,000
C. N. R.	3,710,130	4,205,693	495,563

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2

Canadian Car & Foundry COMPANY, LIMITED AND ASSOCIATED COMPANIES

DIRECTORS

W. F. ANGUS, Montreal
HON. C. P. BEAUBIEN, Senator, Montreal
H. W. BEAUCLERK, Montreal
W. W. BUTLER, Montreal
F. H. CLERGUE, Montreal
HON. N. CURRY, Senator, Montreal
V. M. DRURY, Montreal
HON. E. C. SMITH, St. Alban's, Vt.
HON. LORNE C. WEBSTER, Senator, Montreal
MARK WORKMAN, Montreal

OFFICERS

HON. N. CURRY, Chairman of the Board
W. W. BUTLER, President
W. F. ANGUS, Vice-President
A. D. NEALE, Vice-President
A. C. BOURNE, Secretary
W. S. ATWOOD, Vice-Pres.
L. A. PETO, Vice-President & Comptroller
J. B. BRODIE, Treasurer

TWENTY-SECOND ANNUAL REPORT Year Ended September 30, 1931

To the Shareholders:

Your Directors submit herewith the Twenty-Second Annual Report of your Company and its Subsidiaries, Canadian Steel Foundries, Limited, and The Pratt & Letchworth Company, Limited, covering combined operations for the year ended September 30th, 1931.

The combined profits as shown of $1,061,432.61 are considered by your Directors satisfactory in view of the small volume of car equipment orders received. Canada could not escape the consequences of the world-wide economic situation which has shaken the foundations of the financial structures of nearly every Country, and the sharp reduction in the Canadian business has materially reduced freight traffic on our great Railway Systems. As a result the Railways curtailed their program for new equipment.

Your Company has further extended its activities into new lines of product, and the additional progress in this direction is anticipated and planned for the coming year.

In view of the fact that the depreciated Book Value of the properties of the Company is conservative your Directors have deemed it expedient to reduce the amount allotted to depreciation to $250,000.

It will be of interest to the Shareholders to know that the Book Value of the fixed Assets represents sound value, and is equivalent to approximately $25 per share on the entire Capital Stock.

The liquid position of your Company has been well maintained, the excess of current assets over current liabilities amounting to $6,545,416.70. This is equivalent to approximately $10 per share additional on the combined issues of the Preferred and Ordinary Shares. The temporary drop in the market price of our Investments, consisting mainly of Government Bonds, has been offset by appropriation of reserves which were provided out of prior year earnings for possible liabilities under the Provincial Workmen's Compensation Act, and which owing to the change in legislation will no longer be required for that purpose.

The various plants of your Companies have been maintained in the usual good physical condition.

Since the close of the fiscal year your Company has suffered a severe loss in the death of the Hon. Nathaniel Curry, Chairman of the Board of Directors for a period of twelve years. His death occurred at Tidnish, N.S., on Friday, October 23rd, 1931, and the profound sorrow and regret of the Directors was suitably recorded at a meeting of the Directors held on October 29th, 1931.

A similar resolution was unanimously adopted at a Special General Meeting of Shareholders of the Company held on November 2nd, 1931.

Your Directors are pleased to take this opportunity of expressing their appreciation of the efficient services rendered by the officers and employees throughout the year.

For the Directors, W. W. BUTLER, President.

Montreal, November 4th, 1931.

CONSOLIDATED BALANCE SHEET September 30, 1931

ASSETS

COST OF PROPERTIES:			
Real Estate, Buildings, Machinery, Patents and Goodwill, as at September 30, 1930		$24,858,024.73	
Additions during Fiscal Year—Net		221,676.01	
			$25,079,700.74
DEPOSITED with The Royal Trust Company as guarantee under Workmen's Compensation Act of Quebec—Government Bonds			116,000.00
CURRENT ASSETS:			
Inventories of manufactured and partly manufactured product, materials and supplies at or below cost, and not in excess of present market prices, less reserve		1,971,491.18	
Accounts Receivable (Less Reserve)		2,033,142.93	
Bonds and Other Securities (market values at October 29, 1931):			
Dominion of Canada Bonds	$2,135,290.00		
Company's own shares held by Associated Companies	97,192.00		
Miscellaneous Investments	741,660.00		
		2,974,142.00	
Cash in Bank		360,030.47	
			7,338,806.58
DEFERRED CHARGES			115,670.87
			$32,650,178.19

LIABILITIES

CAPITAL STOCK:		
Preference:		
Seven per cent cumulative and participating. Authorized and Issued—300,000 Shares of $25 each	$ 7,500,000.00	
Ordinary:		
Authorized—400,000 Shares of no par value. Issued—365,800 Shares	9,145,000.00	
		$16,645,000.00
CURRENT LIABILITIES:		
Bank Loans (Secured)	$ 200,000.00	
Accounts Payable and Payrolls	464,389.88	
Dividend Payable October 10, 1931 — 43 cents on Preference Shares	129,000.00	
		793,389.88
RESERVES:		
Depreciation Reserves	$ 8,364,454.67	
Net Premium from sale of Ordinary Shares	313,514.06	
Operating and Miscellaneous Reserves	478,771.69	
		9,156,740.42
SURPLUS, as per attached statement		6,055,047.89
		$32,650,178.19

Approved on behalf of the Board:

W. W. BUTLER, Director W. F. ANGUS, Director

L. A. PETO, Vice-President and Comptroller

AUDITORS' REPORT TO THE SHAREHOLDERS:

We have examined the Books and Accounts of the Canadian Car & Foundry Company, Limited, and its Subsidiary Companies, for the year ending September 30, 1931, and have obtained all the information and explanations which we have required. And we certify that, in our opinion, the above Consolidated Balance Sheet at September 30, 1931, and relative statement of Surplus and Profits are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the Canadian Car & Foundry Company, Limited, and its Subsidiary Companies, at that date, according to the best of our information and the explanations given to us, and as shown by the books of the Companies.

PRICE, WATERHOUSE & CO., Auditors.

Montreal, November 4th, 1931.

CONSOLIDATED STATEMENT OF SURPLUS AND PROFITS, SEPTEMBER 30, 1931

Combined Profits for the Fiscal Year ending September 30, 1931, after transferring $250,000.00 from Inventory Reserve not now required		$ 896,785.99
Add:		
Interest earned net		164,646.62
		$ 1,061,432.61
Less:		
Provision for Depreciation		250,000.00
Profit for the Fiscal Year subject to Income Tax		811,432.61
Surplus at September 30, 1930		6,458,765.28
		$ 7,270,197.89
Deduct:		
Provision for Income Tax and General Purposes		50,000.00
		$ 7,220,197.89
Deduct:		
Dividends Declared:		
$1.75 per share on Preference Stock	$525,000.00	
$1.75 per share on Ordinary Stock	640,150.00	
		1,165,150.00
SURPLUS carried forward September 30, 1931		$ 6,055,047.89

Your Investments

Letters from subscribers to The Financial Post, who desire information bearing on their Canadian investments, will be answered by an early mail, and questions of general interest will be answered on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must be enclosed. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram. We do not select lists of securities but will supply current facts about securities in a list you may supply. Nor do we attempt to make any forecasts of the probable trend of any security. The service, in other words, is one of fact and not of opinion.

Investing as Partner Or as Creditor-Lender

Investors in Stocks Take Companies For Better or Worse—Bond Buyers Seek only Returns and Safety

John Brown, wishing to open a drug store as he had become a fully qualified and experienced pharmacist, succeeded in inducing Peter Jones and Harold Fisher to add $2,000 each to Brown's own capital of $2,000. Peter Jones, believing that John Brown would be successful, took an interest in the business and became a partner to the extent of $2,000. Harold Fisher, also believing that the business would probably be successful, lent $2,000 at 7 per cent per annum payable in three years and took a first mortgage as evidence of his claim.

Substitute for John Brown and his drug store a joint stock company owning a chain of drug stores. Peter Jones, following his native bent, would buy 20 shares or more of stock in the company, becoming a partner to that extent in the enterprise whereas Harold Fisher would buy two $1,000 first mortgage bonds of the same company, due at a specified date and paying interest semi-annually at the rate of 6 per cent per annum.

The First Decision

Every intending investor must decide whether he will invest as Peter Jones did or as Harold Fisher did. Is he willing to risk loss as a partner or shareholder because there is also an apparent prospect of greater gain if the enterprise is successful; or does he wish to lend the money with absolute provision made—so far as legal agreements can do it—that he will get his money back on a specified date and be given a stated return in the meantime? Or does he wish to be a partner in some concerns by holding stock and a creditor of other concerns buying bonds and debentures?

From the standpoint of the investor, this distinction between partner and creditor should always be held in mind. If he buys stock he is a partner and so long as he holds it he must be prepared for his money to experience the ups and downs of the business in which he has acquired an interest. If he buys bonds of a company he is a lender and must occupy himself mainly with the question as to whether or not the borrower is a safe risk, as to whether or not the bond is adequately protected by guarantees or collateral securities or mortgage deed, and then as to whether the return is sufficient for him and the date of payment close or far enough away to suit him. The fact that a number of stocks have given a steady and adequate return over many years and that occasional bond interest or principal is defaulted, does not change this essential difference.

Safety or Adventure?

The man or woman whose earning power is unimpaired and who takes a keen interest in the chances for additional gain arising out of trends in markets, production and prices, will naturally have a predilection for stocks. The widow, the retiring business man, the salaried man who wishes to make sure of his own old age and his family's welfare by steady saving will not be inclined to go outside of well-guarded bonds and debentures except in exceptional cases where security is great. The latter want securities which will stand the stress of severe depressions; the former desire listed stocks so that they can buy or sell as their study of business and market conditions inclines them.

Definitions for the beginner of terms used in this article are as follows:

Stock.—The fund employed in the carrying on of some business or enterprise divided into **shares** owned by individuals who **jointly** form a corporation which therefore becomes known as **a joint stock company.** Its liability is limited by the amount of the stock and therefore the word **"Limited"** appears after the name of most Canadian and British joint stock companies. A partnership of two or more persons is usually of unlimited liability.

Stock certificate.—A certificate issued by a corporation or joint stock company to a shareholder as evidence of his title to a specified number of shares of the capital stock.

Dividend.—A sum to be distributed among shareholders in proportion to number of shares held. It is also used to describe the sum from an insolvent estate to be divided among creditors.

Securities.—A term used for both stocks and bonds.

Capitalization (of a company) includes the capital stock and the permanent or funded debt.

Capital Assets.—Those funds, properties and equipment required for continuous productive use in any business.

Bond.—A certificate of ownership of a specified portion of a capital debt due by a government, a city, a railroad, or other corporation to individual holders and usually bearing a fixed rate of interest. The various kinds of bonds will be described in a later issue.

Interest Rate.—A fixed rate of interest to be paid periodically.

Maturity.—The date when the principal of a bond must be paid to the bondholders.

Debentures. — Specific agreements to pay certain sums at a specified date and interest periodically.

Collateral. — Various stocks or securities pledged with a trustee.

Next week a brief discussion of various types of stocks and bonds will be given.

Acadia Sugar

I have a small bond in Acadia Sugar Co. I would appreciate your opinion on the current position of this organization.

Acadia Sugar experienced a severe setback ten or eleven years ago, when the bottom fell out of the sugar market. It has been a long uphill fight for the company to regain its position, but over the last three years progress has been made in putting the company on a sounder financial basis. Evidence of this progress is seen in the fact that the company is now paying dividends on its preferred stock. With increased earning power, the position of the bonds naturally becomes stronger.

Winnipeg Electric

I hold a few shares of Winnipeg Electric stock and am considering the purchase of some more. Do you think this is a good time to purchase the stock?

Winnipeg Electric at present is experiencing difficulties with the City of Winnipeg, and requests for relief from heavy taxes have not been complied with. A short time ago the company was successful in an application for higher fares for its tramways, but this is not as yet believed to have corrected fundamental weaknesses in the situation.

Shawinigan

Would you be good enough to let me have a brief opinion on the current position and outlook for Shawinigan Water and Power Co.

Shawinigan Water and Power has experienced a restriction of earning power this year due to the lower sales of secondary power. It is expected that earnings on the common stock for 1931 will total less than $2 a share. Whether or not this will affect the company's policy in regard to continuing the present dividend rate of $2 a share, is unknown, but with the resumption of industrial activity in the area served by the company, it stands to reason that earning power of the company will be restored.

Western Steel

Dividend payments on my Western Steel Products preferred have been suspended, and I am undecided as to whether I should sell. I would be loath to take the loss involved, and would like to have your opinion both on the preferred stock, and the first mortgage bonds.

Though it would seem unwise to sell your Western Steel Products preferred stock at the present time, owing to unsettled conditions, a decision to hold must rest with your ability to carry a non-dividend-paying stock until conditions improve. The company has made progress in the past; it has expended its scope of activity considerably, and is in a position to take advantage of a general betterment in business. The stock is cumulative, which means that the company is obliged to pay arrears in dividends when it is able to do so; a factor worth considering. On the whole, it might be advisable to await further developments before making a decision one way or another.

Western Steel Products first mortgage bonds, in addition to ranking as a senior charge on the company's earnings, also occupy a relatively strong position in the corporate setup of Corporate Steel Products, the parent company, since Western Steel is the backbone of the whole organization. Though earnings are lower this year, as witnessed by the suspension of preferred dividends, there has been no intimation that bond interest will be passed.

Upper Canada Trust

We would appreciate any information you might have regarding Upper Canada Investment Trust preferred and common stock. We understand that there is some re-organization under way.

Upper Canada Investment Trust Ltd. has been reorganized and will take the name of Upper Canada Investment Corp. The new company will have an authorized capital of 200,000 shares of no par common stock while the capitalization of the original company consisted of $1,000,000 of 7 per cent cumulative redeemable preferred stock having a par value of $25 per share; 40,000 shares of Class A common and 40,000 shares of Class B common both of no par value. Stock of the original company was sold in units of 1 share preferred and 1 share of Class A common at $40 per unit. There is approximately $250,000 of preferred outstanding held by some 350 shareholders.

Under the plan of reorganization ratified by shareholders at a meeting held on September 28 in Toronto each preferred shareholder will receive 5 shares of new no par value common stock for each share of preferred while three new common shares will be exchanged for each share of Class A common and each share of Class B common will be exchanged for one new common share. The new company will have approximately 80,000 shares of common stock outstanding when exchange is completed.

Payment of preferred dividends was made regularly up to June 1, 1931, when payment due on that date was passed. A dividend of 87½ cents per share has been declared and paid on the preferred stock covering the eight months ended October 31, 1931. Dividends on the new common shares will amount to about 22 cents per share payable semi-annually.

An audit is now in course of preparation to determine the position of the company as at October 31 when the new company takes over. We understand, however, that investments at cost are valued at about $278,000 of which some 33 per cent is in bonds and the remainder in preferred and common stock. Shrinkage in the value of portfolio is some 33 per cent. The new company is taking over assets of the old company at actual value as at October 31, 1931. Management of the new company will remain the same and it is stated that the reorganization will result in some savings. Dividends on the preferred shares were cumulative while this feature of course is absent from the new common stock. Control of the new company is in the same hands as the old but preferred and class A shareholders will be getting a vote which they have not had previously.

When a Broker Fails

I should be glad of your advice regarding some General Motors stock which I purchased Aug. 18 through E. J. Bawlf Co. Ltd., of Winnipeg. I paid part of the purchase price on date of purchase and the balance in full on Sept. 21, but have not yet received the share certificate and as you know the Bawlf Co. went into liquidation on Oct. 9. From your experience with other brokerage firm liquidations would you say that I will receive delivery of the stock or will I have to share as a general creditor and if the latter, will my claim be the purchase price of the stock? On Oct. 7 Bawlf wrote me that my General Motors shares would be forwarded to me in due course.

On Sept. 30 they billed me with $28.88 exchange, being at 8 per cent on $386.30, my payment of Sept. 21, which I have not yet paid. Is this a legitimate charge? American exchange was at par on the date of purchase.

I enclose their invoice for your inspection which I shall be glad to have returned. Any information as to how to secure delivery of this stock will be appreciated. I have already advised W. S. Newton, the liquidator, that the stock belongs to me.

By advising the liquidator, W. S. Newton, that the stock belongs to you, you have apparently taken the best course. We could not express an opinion of legal features, and even a lawyer could not without examination and study of all details of your case. You have not yet received the share certificates and we cannot tell just what state the transaction may be on the books of the company.

Commission Rates

What is the rule governing commission rates charged stock purchased by Canadian brokers on the New York Exchange. I want to know whether or not the brokers' commission will be divided equally between the Montreal and New York brokers, or are they each entitled to full rate of commission on the purchase?

Also kindly let me know what would be the range of commission on a Montreal stock purchase of say $1,100, covering 100 shares at $11 per share?

In the case of a Montreal broker buying shares through a New York broker for a Canadian client, the New York broker would charge the full rate of commission and the Canadian broker an over-riding commission. That commission is not necessarily the same in each case, but it is a matter subject to local regulations as thought advisable. It is usually about the same as the commission in New York but not necessarily so. Some houses would make their own over-riding commission somewhat less than the New York commission. That would be a matter of arrangement between client and house.

The range of commission on a Montreal stock purchase of $1,100, covering 100 shares at $11 a share would be 20 cents a share or about $20 for the whole purchase. If the stock had been selling at 9 cents a share, or anything under 10 cents a share, the cost would have been 10 cents a share which would have brought the total cost to $10. This matter is governed by a graduated scale.

Ford of Canada

Until recently I was the owner of sixty-two shares of Ford Motor of Canada, Class "A" stock, but late in September bought thirty eight additional shares at 12.75 a share to give me an even 100 shares. It almost immediately dropped, came up again to 13, dived again, etc., etc., the usual story. But I was amazed when it made a low of 8.37½. This in connection with other disturbing news from Canada causes me to wonder if any unfavorable news other than the usual run of "scares," the British change from a gold standard, etc., has come out about the Canadian Ford company. I fully appreciate that at the time my Ford stock hit the low mentioned practically all standard American stocks also fell, U. S. Steel making the lowest it has known in 16 years, for instance. But it was generally thought here in the United States that Ford had pretty well stabilized itself months ago, that it was, in short, about the best of all motor stocks, price considered. I ask your opinion specifically on the following:

1. Is it thought that the Ford Co. will pay a dividend in December? (It paid 60c, as you know, last June).
2. How do Ford sales compare with other companies? I understand Ford was doing about 35 per cent of all Canadian motor business in 1929. Is it holding its own (or better) with General Motors at this time?
3. Do you consider Ford "A" a good buy at any figure up to, say 20?

I bought my shares at various times and the stock would have to reach 20 for me to come out even. Dividends about cover interest charges.

I have confidence in Ford's future and more confidence in Canada's future than I have in that of the U.S.A. I expect to make my home in British Columbia a few years hence at the most. I am in the United States only temporarily.

Just what will be done with regard to dividend on Ford of Canada A in December, The Financial Post cannot say. The company is maintaining its own counsel.

Production this year is down to about one-third of its peak. General Motors and another company are reported to intend invading the light truck field in which Ford has hitherto been supreme. Foreign demand is lower. These facts and reports indicate why stock has fallen so low.

On the other hand, the company is financially very strong, is known to have been studying from every conceivable angle the advisability of bringing out new models and all sorts of reports are around as to what these cars will be. You say you have confidence in Ford's future and more confidence in Canada's future than you have in that of the United States. We share your confidence in Canada, and as for Ford of Canada, consult the record.

Ford companies have in the past shown themselves very resourceful and enterprising. They have met and surmounted many difficult problems in the past and you can be certain that those in charge are not asleep at the switch. Ford of Canada suffers from the same adverse influences as does the industry as a whole. The turn for this company is expected to coincide with the revival of business.

Strength of Brokerage Firms

I have some securities deposited with ——, Toronto, with branch at Montreal. In view of the bankruptcy of the brokerage firm of McDougall & Cowans I have great fear of losing should —— also go into bankruptcy. Would you please advise me whether I am safe in leaving my securities with them for a month or two until I am in a better position to forward the cash and have them returned to me, or should I make a great effort at some sacrifice of obtaining the money at once and having the securities sent to me without delay? I would be at a great loss should the above firm make a failure.

As brokerage firms are not publishing their financial statements, it is impossible for us to state just how strong any one firm may be. One, who deals with a broker, and who buys on margin, must take the risk of his remaining solvent just as did the clients of the Montreal firms to whom you refer. These, some years ago, appeared among the strongest in the game. But there is no publication of annual statements whereby clients can keep themselves advised. There is some supervision of internal affairs of brokers belonging to the Toronto Stock Exchange when reports of the Exchange auditor make it seem advisable. Number of bankruptcies under the conditions has not been alarming.

Burns & Co.

I hold a $500 bond in trust of Burns & Co., 5½ per cent.

Would you please advise as to whether or not you think that it would be wise to sell and re-invest in other good stock or bonds which at present low prices might have a better chance for reasonably quick appreciation when things return to normal.

The total issue outstanding of Series A 5½ first mortgage bonds due 1948 of Burns & Co. amounted to $6,928,400 as at December 31, 1930. Its bond interest of $384,360 was just earned in 1930 with a net profit of $1,557 to spare, but this was before depreciation. After depreciation and bond interest there was a considerable deficit.

The accumulated surplus after payment of preferred dividends in 1930 was reduced to $14,663. Preferred dividends, of course, are no longer being paid, but the company has had the adverse business conditions in Western Canada to confront during 1931.

The working capital at the commencement of the year was $1,914,138. In 1930 inventory had dropped from $3,967,955 to $2,674,394, the total current asset being $5,279,160. Current liabilities stood at $3,365,022. This was considerably under the amount a year earlier, mainly through the reduction of bank demand loans from $3,689,000 to $2,436,000. The bank overdraft also dropped from $165,168 to $44,169.

The situation, however, continued adverse throughout 1931 but heavy reductions were made in the expenses in all departments of the company and subsidiaries with the result that for the eight months ended August 31, 1931, the earnings available for bond interest before depreciation were slightly better than for the same period in 1930 although turnover was not so large.

As further working capital was evidently required arrangements were made whereby Senator P. Burns, founder of the business, is putting approximately $800,000 into the business. He receives for $200,000 of this sum 20,000 ordinary treasury shares of Burns and Co., and the rest represent a purchase of 6 per cent redeemable mortgage bonds of the subsidiary company, Palm Dairies, Ltd.

With four quarterly dividends passed, preference shareholders are now voters at annual meetings. The business of the company will in all probability fluctuate with business conditions in Western Canada where it has its principal business. This will in turn automatically reflect on the safety and marketability of the bonds.

Bank Stocks

I was advised some time ago by a bank branch manager not to sell my bank stocks as he was sure I would get more for them later, but bank stocks are worth less now than they were at that time. What would you advise? What about Commerce, Imperial, Huron & Erie, Canada Permanent and Real Estate Loan?

Most Canadian banks have dropped the bonus which in recent years has been paid with the regular dividend. The Canadian Bank of Commerce will, like all the others, drop its bonus payment, but it is understood that it will continue its 12 per cent per annum regular dividend. The company has been paying dividends regularly since 1890, giving 7 per cent at first and rising to the present dividend.

During the present time of adverse business the banks have had more than usually difficult problems to handle. Deposits have been increasing, but the opportunities for safe loans in business have not been so numerous as previously. The company's statements submitted to Ottawa continue to be somewhere near $700,000.

Imperial Bank also omitted its bonus. This bank has shown progressively a strong solvent position as to annual statements. The total assets are about $148,000,000 and immediately available liquid resources are nearly $40,000,000. The company has bonds and securities other than those of the Canadian governments of $91,000,000 and nearly $10,000,000 due from other banks. Deposits reached $122,883,000, and the company has a reserve of $8,000,000 with paid-up capital of $7,000,000.

Canada Permanent Mortgage and Huron and Erie Loan have for many years given statements which show very strong financial positions. These companies have been given careful conservative management and statements show that they have managed to hold their position in spite of the difficult condition in parts of Canada with regard to mortgages.

Real Estate Loan Company of Canada has been in business since 1879. At the end of 1930 its fully paid capital was $50,000 on which 7 per cent was paid. Dividends have been paid since 1892 first on the $40 par value stock and then later on the $100 par value stock. The company's assets amount to $1,640,362 and liabilities to the public $805,377. Actual earnings of the stock since 1923 have in every case been more than the $7 dividend paid and amounted to $8.88 per share in 1930. There is a reserve fund of $310,000. The principal asset is mortgages at $1,470,903.

Mining Enquiries

Mining questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A three-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write general investment and insurance enquiries on sheets separate from mining enquiries. No answers can be given by telephone or telegram.

International Nickel

Will you please advise me if you think International Nickel is a good buy at present prices?

International Nickel, whether purchased as a new commitment or purchased with a view of averaging down former ones, must of necessity have more than the immediate possibilities in mind to warrant such action. Future earnings will probably have a definite relation to the degree of business activity and demand for nickel, but this demand is being accentuated by the aggressiveness of its research department in providing increased uses for the metal. The company is Canada's largest producer of copper and the statistical position of this metal is so unfavorable that it is currently selling at the lowest price recorded. A conference is under way in New York at the present time in order to arrive at some equitable curtailment that will place production more in tune with consumption requirements.

International Nickel's new plant facilities have just been completed which not only permit greatly reduced operating costs but will take care of demands for its products greatly in excess of any past production.

The company is in a strong liquid position and dividends have been continued although not entirely earned. In summarizing, we might say that the large ore reserves, its low cost production position, and the increasing use of nickel, all point to the possibility of more profitable operations under more favorable conditions.

Kirkland Lake Gold

I would greatly appreciate receiving from you a few facts relating to Kirkland Lake Gold. Just where does this mine rank among gold mines in Canada in the production of gold, its prospects of continuing to hold that place or of improving its position in regard to production? Is the mine economically and well managed? What is the probability of this company becoming a dividend payer.

I am interested in this stock purely as a speculation but I would like your opinion as I believe your information to be sound and reliable.

Kirkland Lake Gold Mining Co. is the smallest producer in the Kirkland Lake camp, having a production in the first six months of the current year of $284,510. Production in recent months, however, has shown an improvement to $60,000 per month.

It is the deepest gold mine in Canada with current workings at a depth of 4,750 feet. In the past two or three years the company has had under way a courageous deep development programme in the expectation of favorable ore deposition at depth. This programme has pioneered deep workings in the camp and results show that it was sound. The management of the property is excellent and economical, but it has had a struggle as a producer since 1919 to reach its current position. Operating earnings in September were approximately $35,000 which is equivalent to about 8 per cent on the authorized capitalization of the company. During past months there has been a steady increase in value of production, owing to the treatment of greater quantities of the higher grade ore encountered at depth. The company also enjoys a fairly strong liquid position with approximately $500,000 in its treasury. Already steps have been taken to increase milling facilities but there have been no definite announcements that tonnage will be stepped up or that dividends are imminent.

It cannot be denied that the company is in the best position it has been since the commencement of operations, but now that this deep horizon has been reached some heavy expenditures are facing the company in the way of equipment and shaft facilities that are liable to make heavy inroads into its cash position.

Hollinger

Will you give me some information on Hollinger as an investment for the next few years?

Hollinger Consolidated Gold Mines passed through an anxious time a couple of years ago, but apparently is now definitely on a much sounder basis. Production is up slightly and earnings are more than adequate to meet current dividend requirements. The possibilities of the property are the subject of an exhaustive study by Dr. Graton, geologist of Harvard University, and until his report is out, which will be in about one year's time, there will be little definite knowledge as to the possibilities of ore at depth. At current prices, it is giving a fairly satisfactory yield with ore reserves sufficient to insure this yield.

Hamilton Porcupine

I have 200 shares of Hamilton-Porcupine Gold Mines.

Can you give me any information regarding the standing of this stock or if it has any value?

Hamilton Porcupine Gold Mines was incorporated in 1928 with an Ontario charter to hold title to 11 claims in Whitney township, Porcupine district, Ontario. A small amount of development has been done on the property and early in 1930 an effort was made to raise funds that operations might be resumed. The company is now inactive.

The shares of the company are not listed on any exchange nor is there any visible market for them.

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THE FINANCIAL POST SURVEY OF MINES

1931

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This is the sixth year in succession The Financial Post has brought out its Survey of Mines.

Each preceding volume has been an accepted success. The average paid circulation over this number of years has been 7,165.

The Survey of Mines is the only complete record of mining activity in Canada available in permanent form. It is a vivid compilation of facts relating not only to the industry in a broad sense, but to the various companies that together form that industry.

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Current Events in Banking World

EMPIRE BANK AND CURRENCY RECEIVE FILLIP

F. B. I. and Empire Economic Union Committee Favor Step

PROPOSAL NOT NEW

Was Vetoed in Toronto in 1920 By Congress of Empire Chambers of Commerce

Interest in an Empire Central Bank and the establishment of an Empire currency has received renewed vitality by the report of the joint committee appointed by the Federation of British Industries and the Empire Economic Union, and recently issued in London, England. The committee condemns Great Britain's return to the gold standard in 1925, and urges that no steps be taken for a return to the international money standard until it has been ascertained that Britain and the Empire at large will benefit by such a move.

Restoration of silver to its former place in the monetary standard is recommended, and the new national government of Great Britain is urged to summon an international conference on silver immediately. The report advocates neither the remonetization of silver nor a permanent system of bi-metallism, but recommends the increasing of the purchasing power of India, China and the Far East generally by authorizing central banks to keep an equitable proportion of their metallic reserves in silver.

Reverse Gold Drain

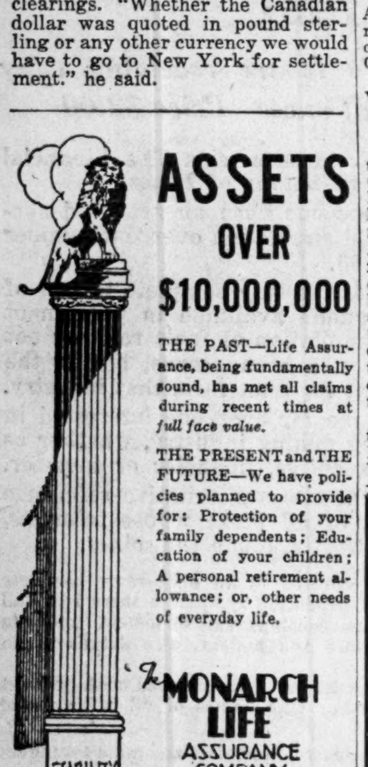
Dealing with the question of the fiscal policy, the report states while there is little prospect of any immediate or far-reaching change in the policies of France or the United States, there is room for "a very substantial reversal of the present drain of gold." Such an end, the committee suggests, might be reached through a revision of the fiscal policies of Great Britain and other component parts of the Empire.

In conclusion, the report contends the monetary system might well be based on an imperial sterling currency, so adjusted as to maintain a reasonable price stability for the British Commonwealth. Such a system should be powerful enough to govern, through the external trade of the Commonwealth, both the value of the metallic medium of exchange and, indirectly, the value of currencies of the rest of the world.

Discussed in Canada

In September, 1920, the attention of Canadians was directed to a precisely similar suggestion by a congress of the Chambers of Commerce of the Empire which met at that time in Toronto, when John F. Darling, of the Midland Bank in London, gave an address—as he again did in May this year—advocating the institution of an Empire bank in order to stabilize inter-Empire exchange, and the calling of an Imperial conference on the matter. The Financial Post at that time gave its readers a resumé of Mr. Darling's speech and the solution therein offered, namely, an extension of the functions of the Bank of England, whereby it would become the common custodian or central bank by opening offices in different parts of the Empire, which would act merely as clearing houses. In order that the Dominions might have some control over the bank Mr. Darling suggests that the capital of the Bank of England could be increased from £14,453,000 to, say, £20,000,000, of which increase either the governments or the banks of the Dominions could be allotted shares.

Sir Edmund Walker, in reply to that address expressed the opinion that the plan was hardly feasible so far as the Dominion of Canada was concerned, owing to the fact, which he said could never be altered, that our currency affairs were deeply rooted with the people to the south, and New York was in consequence Canada's logical centre of making international clearings. "Whether the Canadian dollar was quoted in pound sterling or any other currency we would have to go to New York for settlement." he said.



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Important Changes Noted in Statement

September Bank Returns Reflect Seasonal Trade Upturn and Exchange Instability — Railway Securities Drop $17,500,000

A decline of $17,419,000 in the amount of railway securities held by Canadian banks, a drop of $19,570,000 in their call loans abroad and an increase of $11,000,00 in provincial and municipal loans were the chief changes in the asset columns of Canadian chartered banks during September, 1931. Both Canadian call and current loans showed increases of $8,000,000 and $9,000,000 respectively indicating a seasonal upturn of business activity during September. With only one exception in the last 11 or 12 years have Canadian current loans failed to turn upward in September, and the average annual upturn in that period has been approximately $20,000,000.

Among liabilities the most important change—also seasonal—is the $25,800,000 jump in demand deposits which increased to $594,000,000 and are within $75,000,000 of the same figure a year ago. Savings deposits showed a small though unexpected drop of $5,572,000, while foreign deposits, reflecting the troubles of the foreign exchange situation which came to a head at that time, were lower by $18,500,000.

The Financial Post index of credit conditions in Canada as measured by the ratio between current and call loans in Canada and demand and savings deposits in Canada, increased slightly to 63.5 as compared with 63.3 per cent the previous month and 71 per cent in September, 1930. The Financial Post analysis of the bank statement is as follows:

	Sept., 1931 $	Aug., 1931 $	Change $	Sept., 1930 $	Change $
ASSETS					
Immediately Available Liquid Resources					
Specie	71,496,219	64,567,313	+ 6,928,906	71,848,912	— 352,693
Dom. notes	110,387,141	98,994,321	+ 11,392,820	115,603,292	— 5,216,151
Gold reserve	24,230,866	27,530,866	— 3,300,000	39,430,866	— 15,200,000
Foreign banks	112,377,802	93,665,424	+ 18,712,378	112,396,275	— 18,478
Foreign curr.	14,929,699	18,466,944	— 3,537,245	22,090,683	— 7,160,984
Govt. secs.	455,928,988	452,406,898	+ 3,522,090	325,560,670	+130,368,318
Call loans ab'd	90,095,595	109,665,579	— 19,569,984	186,811,278	— 96,715,683
	879,446,310	865,297,345	+ 14,148,965	873,741,976	+ 5,704,334
Loans and Securities Other Than Those of Canadian Government					
Public secs.	160,100,226	169,610,939	— 9,510,713	99,780,304	+ 60,319,922
Railway secs.	61,548,049	78,967,511	— 17,419,462	54,460,125	+ 7,087,924
Can. call loans	166,575,719	158,630,062	+ 7,945,657	226,020,490	— 59,444,771
Current loans	1,136,510,527	1,127,280,857	+ 9,229,670	1,255,805,777	—119,295,250
Loans abroad	192,623,032	198,795,904	— 6,172,872	225,301,724	— 32,678,692
Prov. & mun. loans	147,779,394	136,762,285	+ 11,017,109	117,086,666	+ 30,692,728
	1,865,136,947	1,870,047,558	— 4,910,611	1,978,455,086	—113,318,139
Other Assets					
Non-curr. loans	10,309,759	9,456,587	+ 853,172	7,900,102	+ 2,409,657
Real estate	6,337,205	6,323,909	+ 13,296	5,571,660	+ 765,545
Mortgages	6,248,477	6,231,485	+ 16,992	6,775,476	— 526,999
Premises	79,466,204	79,538,048	— 71,844	78,657,126	+ 809,078
Lets. of credit	62,056,921	61,343,152	+ 713,769	83,847,159	— 21,790,238
Loans to comp.	14,733,840	14,496,888	+ 236,952	11,265,600	+ 3,468,240
Other assets	1,700,136	1,726,695	— 26,559	2,012,551	— 312,415
	180,852,542	179,116,764	+ 1,735,778	196,029,674	— 15,177,132
Total	2,925,435,799	2,914,461,667	+ 10,974,132	3,048,226,736	—122,790,937
Note cir. dep.	6,814,154	6,807,497	+ 6,657	6,790,447	+ 23,707
Int. bank bal.	113,198,066	112,681,584	+ 516,482	173,349,401	— 60,151,335
Gross	3,045,448,019	3,033,950,748	+ 11,497,271	3,228,366,584	—182,918,565
LIABILITIES					
To the Public					
Circulation	139,908,403	141,813,032	— 1,904,629	163,513,493	— 23,605,090
Dom. Govt.	17,925,201	10,540,890	+ 7,384,311	31,234,077	— 13,308,876
Prov. Govt.	22,117,872	26,141,550	— 4,023,678	26,793,190	— 4,675,318
Govt. advances	19,500,000	6,500,000	+ 13,000,000	20,700,000	— 1,200,000
Deposits by Public					
Demand dep.	594,275,249	568,462,418	+ 25,812,831	667,886,160	— 73,610,911
Savings dep.	1,455,518,906	1,461,091,577	— 5,572,671	1,419,641,859	+ 35,877,047
Total	2,049,794,155	2,029,553,995	+ 20,240,160	2,087,528,019	— 37,733,864
Foreign dep.	313,097,017	331,596,171	— 18,499,154	372,364,253	— 59,267,236
Due to Banks Abroad, Etc.					
Un. Kingdom	4,939,359	9,306,962	— 4,367,603	10,586,090	— 5,646,731
Foreign	65,501,779	64,976,742	+ 525,037	61,551,766	+ 3,950,013
Bills payable	5,375,678	5,932,531	— 556,853	12,874,322	— 7,498,644
Lets. of credit.	62,056,921	61,343,152	+ 713,769	83,847,159	— 21,790,238
Other liab.	2,802,559	2,850,886	— 48,327	3,964,085	— 1,161,526
Public liab.	2,703,018,944	2,690,555,911	+ 12,463,033	2,874,956,454	—171,937,510
Due bet. banks	12,694,945	12,739,019	— 44,074	18,242,577	— 5,547,632
Liability to Shareholders					
Dividends	800,442	3,523,914	— 2,723,472	806,256	— 5,814
Reserve	162,000,000	162,000,000	....	160,992,767	+ 1,007,233
Capital	144,500,000	144,500,000	....	144,853,071	— 353,071
Gross	3,023,014,331	3,013,318,844	+ 9,695,487	3,199,851,125	—176,836,794
Credit index*	63.5%	63.3%	+ 0.2%	71.0%	— 7.5%

*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

Bank Chat

The Canadian Bank of Commerce announce the following list of staff changes:

G. ROSS, manager at Campbell River, B.C., has been appointed audit officer in the Superintendent's Dept. at Vancouver.

R. H. SAYERS, formerly manager at Ilderton, Ont., has been appointed manager at Exeter, Ont.

H. M. PORTEOUS will be acting manager at Ilderton, Ont.

J. H. POUPART, former manager at Mount Royal Ave., Montreal, has been appointed Manager at Rosemount.

V. CHARRON, manager at Rosemount Montreal, has been appointed manager at St. Chrysostome, Que.

C. V. COUET, manager at St. Chrysostome, Que., has been appointed manager at the Nanaimo and Charles branch, Vancouver, B.C.

Weedon, Que., branch is now operated as a sub-branch under the supervision of the manager at Commercial Drive, Vancouver. Will be open daily.

Campbell River, B.C., branch will be operated as a sub-branch under the supervision of the Courtenay manager and will be open daily from Nov. 15. H. Nelson will be in charge.

W. S. HUBBS, accountant at the Almonte branch of the Bank of Montreal is being transferred to the staff of accountants at the main branch at Ottawa.

Vancouver Banker Heads New Foreign Trade Bureau

Announcement has been made from the national headquarters of the Canadian Chamber of Commerce that Mayne D. Hamilton, of Vancouver, has been appointed chairman of the newly formed Foreign Trade Bureau. At a round table conference on foreign trade during the sixth annual convention held at Regina in September, it was felt that there should be set up in Canada a national bureau to study the Dominion's import and export trade with particular reference to markets, the products which we can advantageously sell in other countries, and our import requirements.

Mr. Hamilton is superintendent of the Canadian Bank of Commerce in British Columbia and president of the Vancouver Board of Trade.

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Winnipeg, Man.
Branch Offices:
SASKATOON EDMONTON
CALGARY VANCOUVER

LEADING WESTERN BANKER RETIRES

Bk. of Montreal Loses Valued Officer in J. McEachern of Winnipeg

Announcement has been made of the retirement of John McEachern, superintendent of Manitoba branches of the Bank of Montreal, who has been a well known figure in Winnipeg banking circles for the past 23 years.

Mr. McEachern embarked upon his banking career with J. C. McKaggie & Co., a firm of private bankers of Stayner, Ontario, in which he was a partner for 15 years. In 1903 he joined the Bank of British North America as manager at West Toronto, being promoted to the position of superintendent of western branches of that bank at Winnipeg six years later.

The Bank of British North America was taken over by the Bank of Montreal in 1918 and in 1923 Mr. McEachern received the appointment from which he is now retiring.

Mr. McEachern, who is 64 years of age, will continue his activities on the Winnipeg Board of Trade, of which he is president. He is also vice-president of the Canadian Club, a national councillor of the Canadian Chamber of Commerce, and chairman of the finance committee of the Winnipeg General Hospital.

W'peg Insurance Institute Elects Officers for 1931-32

At the eighth annual meeting of the Insurance Institute of Winnipeg, held recently, the following officers were elected for the 1931-1932 season: R. O. Taylor, Northern Assurance Co., honorary president; E. P. Withrow, Dominion of Canada General Insurance Co., president; W. B. Lowry, Insurance Co. of North America, vice-president; George E. Budden, Western Canada Underwriters, secretary; and C. R. Francis, Canadian Fire Insurance Co., treasurer.

The two last named were elected in place of T. E. D. Boys whose retirement as secretary-treasurer, which post he has held since the early days of the Institute, was announced.

Weekly Bank Clearings

Eastern Cities	Nov. 6, 1930	Nov. 5, 1931
Halifax	$ 3,886,727	$ 3,011,007
Saint John	3,095,820	2,586,178
Moncton	991,326	823,460
Sherbrooke	915,072	747,655
Quebec	7,203,626	6,634,435
Montreal	162,630,456	125,502,110
Ottawa	9,164,885	8,710,581
Kingston	1,334,482	910,676
Peterboro'	1,003,040	870,091
Toronto	183,993,297	107,693,648
Hamilton	6,667,131	5,633,188
Kitchener	1,416,062	1,053,909
Brantford	1,186,202	775,147
London	3,832,416	3,391,854
Chatham	646,426	563,801
Windsor	3,519,206	2,817,189
Sarnia	780,431	518,901
Sudbury	994,235	565,869

Western Cities	Nov. 6, 1930	Nov. 5, 1931
Fort William	$ 962,545	$ 739,715
Winnipeg	56,687,484	77,528,859
Brandon	899,300	493,314
Moose Jaw	1,455,732	964,200
Prince Albert	579,645	467,705
Regina	8,202,705	6,415,521
Edmonton	5,416,374	4,948,805
Calgary	8,446,180	7,935,720
Medicine Hat	483,759	353,500
Saskatoon	2,885,008	2,367,987
New Westminster	837,727	658,648
Vancouver	20,811,350	16,883,537
Victoria	1,933,314	2,060,755
Lethbridge	......	590,458

Operating in Quebec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia
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THE WAWANESA MUTUAL INSURANCE CO.
Head Office—Wawanesa, Man.

REPORT ISSUED BY BAR ASSOC. ON BANKRUPTCY

Amendments Submitted to Ottawa Claim to Hold Solution

Special bankruptcy committee appointed by the Canadian Bar Association has issued a report of its suggested amendments to the Bankruptcy Act, which are expected to carry some weight when final amendments are being drafted and discussed by the federal House during the coming winter.

The high spots of the committee's report, as far as the trading community is affected, are represented by the following suggestions, in effect:

That a bankruptcy department at Ottawa be created, under the control of a superintendent, and in addition to require all trustees to be licensed.

That the superintendent be obliged to examine the books of all licensed trustees and examine the work of official receivers from time to time.

Selection of Trustees

That every person desiring to be licensed to act as a trustee be compelled to file an application with the superintendent such application to be accompanied by a guarantee policy for a fixed amount. The superintendent would report to the Minister of Justice, who would be free to grant or refuse any license. No license would be granted before the minister had received the superintendent's report on the qualifications and financial responsibility of the applicant. The licenses will be issued annually.

That licenses be cancelled at any time upon report of the superintendent to the effect that a trustee was not fulfilling his duties properly. Licenses would only be valid in the provinces in which they were issued.

That only properly qualified persons would be eligible for appointment as authorized trustees. At the first meeting of creditors no close relation to the debtor to be allowed to vote on the appointment of the trustee.

That if the bankrupt or authorized assignor is an incorporated company, no officer, director or employee thereof, be allowed to vote for the appointment of the trustee.

That the superintendent visit personally, or cause a duly qualified member of his staff to visit each office in Canada of every licensed trustee, at least once every year and examine carefully the administration of all bankrupt estates being administered.

That the superintendent receive and keep record of all complaints from creditors or from any person interested in a bankruptcy. The superintendent to make such report to the Court in connection with the application by debtor for his discharge as he may deem fit.

Some Points Overlooked

The above are only some of the salient features of this important document, and regret is expressed in some quarters that the recommendations do not go further and urge the institution of public examinations in open court of debtors and public hearings of applications for discharge.

It is felt, too, that trustee's licenses should be issued by the Minister of Justice on recommendation of the superintendent, who would co-operate with boards of trade and chambers of commerce throughout the Dominion. In order to stress these and other points, a special committee of representatives of the Board of Trade and Better Business Bureau, of Montreal, is drawing up a list of additional proposals for submission to Ottawa for consideration in conjunction with the report of the Bar Association.

Exchange Situation Increases Savings

An adverse exchange rate between Canada and the United States is proving beneficial to many places along the U. S.-Canada border. From a bank manager in Rock Island, Que., which is the Canadian customs point for Vermont highway No. 5, which crosses through into Lennoxville, Magog and Sherbrooke, we learn that in the past few weeks no less than 25 new accounts have been opened and the savings department shows an increase of $25,000.

The explanation is that many persons who previously kept their savings accounts with American banks have taken advantage of the premium on U. S. funds and opened accounts on this side of the international boundary.

What Editors Say of Banks

Too Little Credit

Brandon Sun.—The Canadian banks, like those to the south of us, are rather prolific in tendering advice to others at periods of less business activity and curbed speculation. Their ideas of economics are used up in telling others what to do for what we now are suffering from. Of course, there is a lack of business and much of it is due to lack of initiative, which in turn is due to the restriction of credit. That is rather largely due to the banks. Their official financial economists cannot hide that by any camouflage. The banks enjoy considerable trading privileges from the people, granted them by their representatives in parliament. Their exclusive position, too, gives them the franchise of doing a much larger share in raising industry out of the rut. Since the banks are in business to make money, and can make money only if they make loans, they should bestir themselves to bolster up their courage and begin to facilitate a trade revival by extending credit where it is safe and proper to bestow it.

The other day the Magazine of Wall Street, New York, carried an article asserting that "at a time when the entire business and commercial structure has been drastically deflated, forming a fundamentally sounder basis for credit than has existed in many years, and at a time when money is plentiful, the average bank today is as cautious and timid as it was careless and confident in 1929." Caution is good, but timidity that becomes paralysis is not good. Business progress and revival depend on credit, and if there is too little credit the needed process of recovery will be unduly delayed. On the whole, the banks were too confident in 1929, and apparently they have gone to the opposite extreme and have become too cautious now.

Insurance for Buyer and Seller

Taboos Common Stocks For Insurance Portfolio

Head of Metropolitan Life Declares Principle of Valuation Unsuitable — Experience of Last 2½ Years Reviewed

That "common stocks do not and will not meet the requirements of life insurance" was the view emphatically expressed by Frederick H. Ecker, president of the Metropolitan Life Insurance Co. of New York, in an address upon the investment problems of life insurance business, given recently.

Selects List of Stocks

Mr. Ecker analyzed between 40 and 50 common stocks which had been picked two years ago by R. H. Loomis, of Boston, who supported common stock investments before the American Life Convention in Oct., 1929. Mr. Ecker acknowledged this was a most select list, having no bonds or practically no funded debt ahead of them. They comprised stocks of well-managed companies, outstanding in the business of the United States.

The average depreciation in market value of these stocks between the date of the address and June 30, 1931, a period of 20 months, had been 57 per cent, said Mr. Ecker. This was held to demonstrate amply that common stocks, even of the exceptionally high class of those submitted, were unsuitable as an appropriate investment for life insurance funds.

Anticipating the question as to what had been the experience with regard to the type of securities generally bought by large mutual life insurance companies during the same period, Mr. Ecker said:

"I have not the figures of other large mutual companies, but in general the investment policy of such companies is much like our own, and I have secured some figures relating to our own investment account.

$13,000,000 Profit

"On December 31, 1929, a date convenient for the compilation which I have in mind our company had in its portfolio some 1,300 separate items of bonds and preferred and guaranteed stocks, the latter within the prescription of the so-called Wales Act of New York. The market value of these assets on December 31, 1929, was approximately $1,200,000,000. Between that date and June 30, 1931, there matured or were sold out of that portfolio, securities of market value of approximately $74,000,000, from which the net profit amounted to something over $1,000,000. Of that same portfolio, the securities remaining unmatured and unsold on June 30, 1931, had then a market value of $1,139,000,000, which sum, taken with the amount matured or sold, showed a total of $1,213,000,000. Thus, in market value of securities still owned, plus market value of securities sold in the interim, the company had a profit between December 31, 1929, and June 30, 1931, of approximately $13,000,000.

"Lest some one might raise the point that the difference in our securities was computed as of December 31, 1929, while that relating to the securities listed in the above-mentioned address was computed as of October 17, 1929, I have had a separate computation made as to the difference in market value of the common stocks contained in the list mentioned, as between December 31, 1929, and June 30, 1931. Notwithstanding the depreciation in market values of stocks between the upset of October, 1929, and December 31, 1929, nevertheless, the common stocks referred to had depreciated in market value between December 31, 1929, and June 30, 1931, by somewhat over 30 per cent.

Value of Diversity

"While the figures which I have given regarding our own company's securities have brought out the fact that there was an actual appreciation between the dates mentioned, it is not that fact which I wish to stress so much as the fact that during this period of severe financial depression, our diversified investments have exhibited a stability which we believe is inherent generally in the types and methods of investment followed by legal reserve life insurance companies.

"In this connection, I may well allude to a tabulation recently published by a New York investment house which showed that, of the life insurance companies having assets of over $500,000,000, the approximate appreciation or depreciation of bonds and stocks (the stocks being principally preferred or guaranteed) for any one year, in comparison with the market value the previous year, ranged between December 31, 1924, and December 31, 1930, from a high point of 3.06 per cent appreciation to a low point of 2.74 per cent depreciation.

"Furthermore, while having alluded to market values in order to make a comparison in results with the list of common stocks which has been mentioned, it should not be overlooked that, by law, bonds held by life insurance companies and not in default are valued on an amortized basis, and market values, as such, are not of present significance except in the case of those bonds which may be in default.

Insurance Business Different

"Daily quotations or market values of investment holdings are not as important to life insurance companies as to some other financial institutions such as commercial banks, for example. This is due to the fact that the liabilities of a life insurance company, which are the claims arising from outstanding policies, mature over a period of time which is figured with remarkable accuracy by our actuaries with the aid of well proved mortality tables. Commercial banks' liabilities though, which are in the form of deposits, have for the most part no definite maturity dates and, therefore, may be withdrawn in bulk on short notice. Nevertheless, it is interesting to see how life insurance investments have stood up, market-wise, during the present period of financial strain.

"In the tabulation heretofore referred to, comparing the market values of our securities as of June 30, 1931, with their market value as of December 31, 1929, our Government bonds, our municipals, our public utilities and our miscellaneous group, covering industrial securities, all showed increase, the railroad securities alone showing a decline of only approximately 0.8 per cent. Since June 30, 1931, and particularly during the last 30 days of unprecedented recession, the decline in market values has continued to be relatively less in our class of investments than in other listed securities."

Finds Farmers Best Insurance Buyers

Analysis by occupations of the last 1,000 life insurance policies issued by the Mutual Relief Life show that farmers headed the list, representing 18 per cent of the total number of insured. Clerks were the next best buyers, in numbers, forming 9 per cent of the total, though this classification does not include lawyers, accountants or bookkeepers. Following came salesmen, 8 per cent; housewives, 6 per cent; mechanics, and students, 5 per cent each; laborers, stenographers, managers, teachers and foremen, 4 per cent or lower, accounting for 75 per cent of the total. The remaining 25 per cent comprises a miscellaneous group of all kinds of occupations.

Of the 1,000 applicants' policies, 55 per cent were written on the all-life plan, 23 per cent on the "20 pay life," 20 per cent on endowment plans and 2 per cent on term.

TORONTO INSTITUTE HOLDS MEETING

President Reviews Insurance Affairs During Past Year

Speaking at the opening meeting of the thirty-third session of the Insurance Institute of Toronto on Oct. 29, W. H. Burgess, president, stressed the importance of insurance education in the fire and casualty field, which, he said, had not been given sufficient attention by managers in the past. He pointed out that as compared with 1,081 candidates for examination in the life branch at the last session, there had been only 33 candidates in the casualty and 31 in the fire branch.

The Institute had made good progress, however, said the speaker, membership having increased by upward of three hundred, while the financial position was also somewhat improved. He looked forward to the day when insurance institutes throughout Canada might so co-ordinate their work and courses of instruction that an all-Canada institute should arise. Montreal, Vancouver and Winnipeg now have successful institutes which, however, have become affiliated with the Insurance Institute of America, presumably as a matter of expediency with respect to courses of study and examinations.

Five other meetings will be held during the year, one in November addressed by L. C. Evans, of the London and Lancashire, on the subject: "Historical Background and Practices, Public Liability Insurance," and also by Harry D. Anger, on "Business Laws Surrounding Casualty Insurance."

The December meeting will be addressed by H. H. Wolfenden, consulting actuary and statistician on "Social Insurance." The January meeting by John A. Robertson on "Recollections of an old Insurance Man." The February meeting by F. Erichsen-Brown on "Recent Important Legal Decisions in Insurance," and the final March meeting by F. W. Hill, actuary of the Crown Life Insurance Co., on "Government Supervision of Life Insurance Companies in Canada."

Mexico Grants Permit to Confederation Life

Confederation Life Association of Canada announces that it has received a permit from the government to resume operations in Mexico after being suspended from operating here since the new insurance law went into effect in January, 1930.

The business of the Sun Life Insurance Co. of Canada remains suspended, inasmuch as it is understood this company did not apply for a new permit, on the grounds that it would be profitless to try and operate under the new law.

Alberta Fire Loss Up 16 p.c. at $2,371,598 For 9 Months

Fire losses in Alberta for the first nine months of the year, to September 30, totalled $2,371,598, according to figures given out from the office of H. Brace, provincial fire commissioner. This is an increase of $336,514 over the same period of last year.

Edmonton's share of these losses was $229,297 and Calgary's, $269,257. For the province as a whole January was the heaviest month and September the lightest.

While the net loss this year is higher than that of 1930, there is no reason to believe, fire officials assert, that the loss for the entire year will be heavier than that recorded in 1929, which was a million dollars or more in excess of 1930.

Life Officers Assoc. Board Now Includes 3 Canadians

Three Canadians were elected to the executive boards of the Association of Life Agency Officers and the Life Insurance Sales Research Bureau at the recent joint convention at Chicago. These are C. D. Devlin, Confederation Life, who was elected vice-chairman both of the association's executive committee and the board of the Bureau; A. Gordon Ramsay, Canada Life; and H. W. Manning, Great West Life.

President Visits Maritime Agencies

Thomas Bradshaw, president of the North American Life, recently returned from a tour of the company's eastern agencies, which included the cities of Montreal, Quebec, Sherbrooke, St. John, N.B., and Halifax, N.S. He was accompanied by J. A. McCamus, supervisor of agencies.

W. Garfield Case has been appointed by the North American Life Assurance Co., district manager at Owen Sound, Ont.

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Vice-Presidents: W. S. MORDEN, K.C. JOHN J. GIBSON and Gen. Mgr.
Secretary: E. W. McNEILL

Pulp and Paper Industry

GREAT LAKES REPORT SHOWS BONDS COVERED

Preferred Claims of $241,-508 Preceded Bonds at March 31

EARNED INTEREST

Timber Concessions Are Carried at $29,420,460; Plant Valued at $7,914,109

Great Lakes Paper Co. had assets of $41,517,520 at March 31, 1931, according to an approximate statement of affairs of the company prepared by Clarkson, Gordon, Dilworth, Guilfoyle & Nash, while claims payable prior to the 6 per cent first mortgage bonds amounted to only $241,508. After provision for these claims and principal and accrued interest of bonds outstanding amounting to $10,350,000, there remained a nominal surplus of $30,926,012 available for other creditors and shareholders. Claims of creditors, ranking after the bonds, amount to $2,645,425, of which $2,161,765 is due bankers.

The company had total assets of $41,517,520. Trading assets are carried at $874,709 which includes $13,-323 in cash, $294,715 due by receivers of Minnesota & Ontario Paper Co.; $412,377 as estimated equity in pulpwood and $98,240 in finished products and supplies. Investments at market value are carried at $25,-000. Dominion of Canada bonds and accrued interest are shown at $103,039, subject to a charge in favor of the Hydro-Electric Power Commission of Ontario.

Actual Values Undetermined

Amounts owing by affiliated corporations are shown at $2,327,274; waterpower rights at $141,296 and obligation to Backus Brooks Co. to construct logging railway with option to cancel at $500,000. These items are included at book or contract values and actual realizable values remain to be determined. Mill property and equipment at Fort William at book cost, less depreciation, are carried at $7,914,110 and maintenance and replacement supplies at $167,793. While included at book value, plant construction costs are reported to have exceeded this value by $1,400,000. Timber concessions and lands in Ontario are carried at book cost of $29,-420,460. Included in book cost of this item is $9,000,000 for which par value of preference stock was issued and $18,250,000 included in value placed on no par value common stock issued.

Claims against the company, which are said to be payable in priority to bonds, amounted to $241,-508. Claims secured by liens or charges on pulpwood amounting to $588,498 are offset by pulpwood delivered with an estimated value of $1,000,876, leaving an outlay of $412,377 which was carried to assets. There was $10,000,000 of 6 per cent first mortgage bonds outstanding and interest accrued to March 31, 1931, accounted for an additional $350,000. Over and above claims ranking prior to the bonds and liability to bondholders there remained a nominal surplus of $30,-926,012 available for other creditors and shareholders.

Interest Was Earned

During 1930, the income and surplus account of the company shows net earnings available for interest, depreciation and taxes of $1,740,-369. Fixed charges, including interest on bonds and bank loans, amortization of bond discount, depreciation and provision for income tax, amounted to $1,030,103 which left a surplus for the year of $710,266. In the three months ended March 31, 1931, net earnings amounted to $285,325 available for fixed charges of $253,463 which left an operating surplus for the quarter of $31,861.

Average sales per month and average price received per ton are stated to have been lower in the first quarter of 1931 than was the case in 1930. For the five months ended August 31, 1931, both average sales per month and average price received per ton, were lower than corresponding figures for the three months ended March 31, 1931.

Starr Mfg. Profit May Attain Estimate

Operations of Starr Manufacturing Co. in the nine months ended September 30, 1931, resulted in a net profit of $14,495 available for bond interest. With October and November the peak months for sales of skates, it is possible that the profit for the year, estimated by the receiver at $45,200, will be attained. It is fully expected that interest on the first mortgage bonds, amounting to $18,000, will be earned twice over.

Business in bolts, nuts and various specialties has been somewhat lower than was anticipated in April but skate sales have improved and at least one large order has been received. In April, 1931, bondholders agreed to postponement of interest on the 6 per cent first mortgage bonds for a period of two years.

FRASER SHARES ACTIVELY TRADED MONTREAL MART

Redemption of Notes Provides Problem for 1932

From Our Own Correspondent

MONTREAL.—Increased activity is noted of trading in the shares of Fraser Companies. A total of 10,386 common shares changed hands in the week ended November 7 and resulted in a slight upward trend in the stock to current levels of around 2. Nothing definite has been disclosed which would account for the sharper interest in the shares, other than general market activity.

During the current year, Fraser will have had the benefit of a full year's operations of the big sulphite mill at Athol. This unit only came into full production in the latter half of 1930; benefits of 1931 activity will be lessened by some extent by prices prevailing for pulp which leaves but a narrow margin of profit.

Progress, it is reported, is being made in liquidating lumber inventories whose decline played a large part in the lower earnings reported in 1930. It will be remembered that losses on this account were specially mentioned in connection with the wide drop in earnings last year and an inventory reserve of $1,938,215 was set up out of income.

Inventories were written down to $8,030,339 as compared with $11,-325,805, a situation which found reflection in working capital which totalled $2,492,403 as opposed to $4,225,292 at the end of 1929.

The position of Fraser Companies, however, must remain indefinite until the situation surrounding the $3,500,000 of 6 per cent notes, due July, 1932, is cleared up. Unless the cash position of the company shows a marked improvement it is apparent that redemption of these notes in the hands of the public would prove a difficult undertaking. Further, the company has outstanding $4,000,000 of other securities due at the same time, though these are privately held.

A process of refunding this debt would depend on the condition of the money market next year; it is possible that steps will be taken to extend the maturity of the notes with the approval of security holders.

Coast Tappi Section Hold Meeting in Canada

From Our Own Correspondent

MONTREAL.—Technical men representing the majority of the pulp and paper mills in Oregon, Washington and British Columbia recently held a convention at Powell River. This is the first occasion since the formation of the Pacific Coast section of the Technical Association of the Pulp and Paper Industry, (familiarly known as Tappi) that the organization has held a convention in Canada.

In addition to listening to a number of interesting speeches and general discussions on current topics, the delegates were shown over the Powell River Co.'s water power and pulp and paper developments at Powell River, B.C.

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Hume Cronyn, *President*
H. E. Gates, *Vice-President*
M. Aylsworth, *General Manager*

Canada Power Meetings Approve Dunning Plan

Twenty-One Classes of Security Holders Give Formal Approval—Way Now Open for Consolidated Paper to Take Over

From Our Own Correspondent

MONTREAL.—Over the past week, bondholders of Belgo-Canadian Paper Co. and of the Anticosti Corp., and preferred and common shareholders of the latter corporation, gave formal approval to the reorganization plan for Canada Power and Paper Corp., prepared by the Shareholders' Protective Committee, under the chairmanship of the Hon. Charles Dunning.

Twenty-one meetings have been held since the beginning of October by the different classes of security holders. In each case the reorganization plan was approved and the way is now clear for Consolidated Paper Corp. to take over and merge all the units formerly controlled by Canada Power and Paper.

Before the end of this month it is expected that the Dunning Committee will be able to announce formally that Consolidated Paper has taken over active control of the Canada Power and Paper enterprise.

Although not officially in control, it is understood that the new group are already acting in an advisory capacity in bringing about the desired reorganization of Canada Power and Paper. Minor adjustments have been made, but the real work will not start until L. J. Belnap officially assumes his duties.

Meanwhile it is understood that steps have been taken to consolidate the clerical staff of the enterprise, part of which was located at Three Rivers and part in Montreal. Henceforth all clerical work for the corporation will be done from Montreal. The executive staff remain here as heretofore.

New Books

"An Introduction to Auditing"

The work of the accountant and the work of the auditor are quite different but to be an auditor one must first of all be an expert accountant. Most limited companies are required by law to have audits of their accounts but not all business firms are corporated as limited companies. There are no legal requirements for audits of accounts for partnerships or sole traders. Nevertheless, many partnerships find audits of value.

An introduction to auditing has been written by C. A. Ashley, who is an assistant professor of accounting in the University of Toronto, and has been published in the form of a pocket-size volume of 160 pages.

The volume covers all the primary principles of auditing and includes many case decisions as well as an analysis of companies acts of the Dominion and the nine provinces.

"An Introduction to Auditing for Canadians" is published by MacMillan Company of Canada, Toronto, and sells at $1.50.

"If I Were King of Canada"

The historians of the future may well speak of the current period of economic development as the era of panaceas. All over the world, professional and amateur economists have been pointing "the way out" of depression and financial crisis. To the present reviewer, 99 per cent of these discussions seem thoroughly futile and decidedly most of them are uninteresting.

Now we have a complete volume of panaceas. A writer by the name of Oliver Stowell has produced a speculative account of the policies he would put in force by proclamation if he were King of Canada. One might well expect that the writer, setting out to design a new basis for social and economic life in Canada, would present his qualifications, but we are not told who Oliver Stowell is, or what has been his experience in the handling of such problems.

To the speculative mind, such a volume will have some considerable interest, and it cannot be denied that Mr. Stowell has, in a superficial way at least, recognized the essentials of many of our national problems. He discusses most of the phases of our economic and social life, analysing his view of the causes of depression and suggesting the formation of an economic and general staff to control our affairs. Feeling that never in history has any country had at the same moment so great a responsibility and so limitless a future as Canada has today, he presents what he considers practical measures to enable us to achieve that future.

The volume, "If I Were King of Canada" is published by J. M. Dent & Sons, Toronto, and the retail price is $1.50.

Incidentally, the printing and binding are a Canadian job and together with the bright jacket they reflect considerable credit upon those responsible.

"Investment"

After some years of study and preparation, a volume on "Investment" has been published as one of the Queen's University series of business studies. This volume has been prepared under the direction of W. A. McKague, a financial writer of considerable experience, who has had the benefit of the suggestions, advice and information of some scores of bankers and others well equipped to discuss the problems of investment in Canada.

The volume is very comprehensive and may be regarded not only as a text book on the technical phases of investment such as will interest bond salesmen, provincial and municipal treasurers, etc., but is an excellent study for the investor himself.

This volume has been badly needed. Our professional financiers and investors have had to rely very largely upon books published in the United States and necessarily dealing chiefly with American conditions, which differ in many respects from those that prevail in Canada.

Mr. McKague has tackled his subject with an obvious desire to be thorough in his coverage of the subject. Thus we find chapters devoted to the instruments of investment, to the mathematics of investment, to each type of security, to the methods by which securities are created and distributed, to the markets that prevail after they have been placed in the hands of the investors, to Canada as a field for investment and finally to the general subject of making sound selections. There are many tables and illustrative material, and some of investment bonds, debentures, stocks, etc., have been reproduced.

One could quote at length from a volume of this character, but it is perhaps enough to say that it has such a great value not only for the professional financier and the student but for the investor himself that it should be in every library.

Ryerson Press, Toronto, are the publishers and have produced a well-bound, well-printed permanent volume. It sells at $4.50.

"Gold and the Price Level"

Probably at no previous time in history have business men been more anxious to learn something about the movement of prices. They are beginning to realize that the fundamental factor in prosperity and depression is the price level and while very able economists have been able to list as many as twenty different causes of the present period of depression, it is generally recognized that most of the so-called causes are merely symptoms, tracing to that one fundamental cause. Why prices have declined; what the exact effect of the decline has been; how we can avoid similar price declines in the future and thus stabilize prosperity are subjects that are being actively canvassed by the leading business men and economists of the world.

Very notable contributions to the study of this subject have been made by Sir Josiah Stamp, and it is probable that his vision in forecasting the present depression, when he saw the inevitable price decline in the making, is responsible for the fact that he is the world's ranking economist today. Sir Josiah has written and spoken on this subject for a number of years and a group of his articles and addresses have been gathered together in a single volume. Sir Josiah has always been able to write on the most difficult economic subjects in simple, business-like terms that are understood by the average business man battling with the practical problems that result from the more theoretical movements. Sir Josiah is one of the economists who feel that a stable price level must be found as an essential basis to adequate social life. He does not consider a stable price level to be beyond the power of mankind to achieve, but he is nevertheless fully aware of the many problems that are concerned.

The publishers of this little booklet have done a good job for the business man who wants to find out the fundamental reasons for the present depression and the possible ways of avoiding similar depressions in the future, and for the man who wants to have an adequate but clear understanding of the problems of gold, credit, stable money and the price levels.

"Papers on Gold and the Price Level" by Sir Josiah Stamp, is published by P. S. King & Sons, Ltd., Orchard House, Westminster, London, S.W. 1. The price is 7/6.

"The Pound Sterling"

When Great Britain recently went off the gold standard—not for the first time in history—the event marked a further milestone in the history of a great monetary unit that dates back to pre-Norman days.

A. E. Feavearyear has written a history of the British pound and it is, of course, much more than the story of the development of this single unit of money; it is really the whole story of money from before the middle ages; a story that is more absorbing than tales of wars and conquests. The best modern historian is the economic historian who studies the past to find out things that are of value to us today in solving our business and economic problems. Mr. Feavearyear is such an historian.

The publication of a book of this character at the present time, is of very consiiderable importance. There is more misconception in the public mind about the true meaning of money and its influence upon the price level and the consequent influence upon the state of trade than upon any other phase of economic life. We can only get a true conspectus of the situation by the historical approach. To appreciate fully Britain's problems today, to appreciate the influence of the mistakes of the Bank of England, to understand the relationship between the British pound and British economic position, we must know how the system itself grew up.

Mr. Feavearyear points out that the English penny, six of which in the time of The Conqueror would buy a bushel of wheat or ten gallons of ale, will now purchase but one-fourth of a loaf or one gill of the smallest beer. The English pound which Domesday book recorded as a year's rental of a 100 acre holding, will now scarcely pay a week's rental of two unfurnished rooms in a suburban villa. Nevertheless, the British pound, while it may be off the gold standard today and while it may be selling at a discount in foreign markets, has held its head much higher than other currencies which came into being at the same time. The French franc, which is worth one per cent as much as the pound, and the Italian lira which has about the same value in world markets, started the great race of monetary history, neck and neck with the British pound.

"Against these examples," says Mr. Feavearyear, "the history of the English standard appears eminently respectable."

Such a story is of absorbing interest. "The Pound Sterling; the History of the English Money," by A. E. Feavearyear, is published in Canada by the Oxford University Press, Toronto, and sells at $5.

The World Economic Depression

A revised edition of the report on "The Course and Phases of the World Economic Depression" has now been issued by the Secretariat of the League of Nations. This report was prepared at the request of the 1930 assembly by Professor Ohlin, of Stockholm University, with the assistance of the staff of the Economic and Financial Arganization of the League.

The present volume differs from the first edition mainly by carrying the description and analysis of the depression up to the end of September. Accordingly, it contains an account of the outstanding financial events of that month and briefly analyses the causes of the financial crisis. In addition, several minor changes are made throughout the body of the report in an attempt to present more accurate and up-to-date information.

The report opens with a brief review of some aspects of the post-war economic developments, of structural changes in the years immediately preceding the depression, and of business cycle tendencies in the last decade. The origins and the course of the present depression are then analyzed and the action or reaction of production, domestic trade and consumption; prices, wages and profits; foreign trade and shipping; speculation, credit and savings; international capital movements, etc., are set forth in some detail. In the concluding chapters, some special problems are examined—the combination of structural maladjustments and the business cycle recession; monetary factors and the decline of the price level; the inflexibility of the economic system in relation to the depression; the mutual reactions of recession tendencies in different countries (including Russia) and relative changes in producers' and consumers' goods. Finally, the present depression is compared with earlier depressions and an analysis is made of the forces which in these past depressions appear to have made for recovery. The volume concludes with a summary of the situation in the summer and early autumn of 1931.

It is published by the League of Nations, Geneva, at 7.50 Swiss francs or 6 shillings.

DOMINION STEEL MINE WORKERS OPPOSED TO CUT

Union Rejects Counter Proposal—Steel Men Take Action

From Our Own Correspondent

MONTREAL.—Executive of the mine workers at Glace Bay has refused to accede to the counter wage proposal submitted by the Dominion Steel and Coal Corp.

The company is reported to have sought a one-year contract and in view of the proposed wage reduction, offered lower house rentals to the miners, the majority of whom live in company-owned houses. It is also said that the company offered explosives to the miners at lower cost.

The basis of the wage reduction with present conditions in the coal trade, and competition of foreign operators made it necessary for the corporation to ask for a new schedule.

This was a counter proposal to that of the mine workers submitted about a month ago. Some 94 separate demands were filed, in accordance with the policy at the last mine workers annual convention.

General Wage Cut

Dominion Steel and Coal's counter proposal covered reductions in wages running from 10 per cent per datal workers to 10, 15, 20 and 25 per cent for the higher paid contract miners. The 10 per cent cut on datal rates would affect about 8,000 employees, the 10 per cent cut on contract rates, about 3,300, the 15 per cent cut, about 300. Some 250 men will have to take a 20 per cent decrease and the 25 per cent cut would apply to about 600.

The mine workers executive refused this cut. In a letter to local unions, it was stated that the executive board of the mine workers is devising ways and means to offset the proposal submitted by the company.

Want Bonus Suspended

The latest move in the wage situation, which is now being adjusted by Dominion Steel, is a formal request of the Dominion Government by the Sydney steel workers to suspend the bonus of 49½ cents a ton now paid on coal used in steel making at the Sydney plant, until the Dominion Steel and Coal Corp. has submitted proof of the necessity for the recent 10 to 20 per cent wage cut at that point.

In a letter despatched to Hon. G. D. Robertson, Minister of Labor, it was stated that discontent and dissatisfaction had been caused by the action of the company in reducing wages on November 1. It was stated that the plant counsel considered that an unfair advantage had been taken of the workers, pointing to the fact that the Dominion Steel and Coal had been granted large concessions by the government. It was suggested, therefore, that the Dominion Government suspend the bonus on coal until such time as the whole wage question had been thoroughly investigated and the necessity of such action approved.

BRANT. CORDAGE CASH POSITION MUCH STRONGER

Earnings Show Drastic Decline in Past Year; Inventories Cut

Net earnings from operations of $20,995 is reported for Brantford Cordage Co. in the year ended August 31, 1931, in comparison to the $348,876 shown for the previous year. After deduction of sundry expenses and additional provision for doubtful accounts the company earned 13.6 cents per share on the 68,198 shares of $25 par value first preferred stock outstanding as against $4.88 per share on 69,778 shares outstanding the preceding year. Cash position, however, is much stronger.

After payment of dividends at the rate of 8 per cent on the first preferred stock and initial dividends of 7 per cent on the 34,000 shares of $25 par value second preferred stock, the company had a deficit for the year of $188,509. Surplus account was increased by $25,522, received in excess of cash value of life insurance previously set up while discount on shares retired through sinking fund increased to $10,004 from $6,841 in 1930. Surplus carried forward dropped to $956,645 from $1,109,-629.

The income and surplus account of the company for the past two fiscal years is as follows:

Income and Surplus Account
As at August 31

	1931 $	1930 $
Net earnings†	20,995	348,876
Less: Sundry disburse.	7,000	7,000
Additional prov. for doubtful accts. ...	4,708	1,437
Net profit	9,287	340,439
Less: 1st pfd. divd. ..	138,296	141,201
2nd pfd. divd.	59,500	......
Surplus for year	*188,509	199,238
Add: Prev. surp.	1,109,629	903,550
Life ins., excess cash value	25,522	......
Disct. on shs. retired through s. f.	10,004	6,841
Surplus carried fwd...	956,645	1,109,629

†After depreciation and income tax provisions amounting to $89,020 in 1931; unstated in 1930.
*Deficit.

Working Capital Strong

Unfavorable showing of the company is stated to be due chiefly to drastic declines in prices on heavy inventories carried forward from the previous year and to unsatisfactory crop conditions in the Canadian northwest. Results for the year are stated to be fully up to what might be expected having regard for conditions existing.

The strong cash position of the company has been maintained with current assets of $2,289,432 against current liabilities of $38,979, a ratio of over 58 to 1. Current assets include $1,247,394 in cash, as compared with $349,921 reported in 1930. Inventories of raw materials, goods in process, finished goods and factory supplies carried at cost, but not exceeding market value, are shown at $390,996 as against $863,-801 in 1930 while bills and accounts receivable, less reserve, are down to $649,538 from $1,164,809. Prepaid fire insurance premiums amount to $1,544. Lands, buildings, machinery and equipment show slight increase at $1,166,565 while patents, trademarks and goodwill remain at $993,797.

Current liabilities, including provision for Dominion taxes, are shown at $38,980. Reserve for depreciation is up to $499,220 from $418,436. During the year, the company retired through sinking fund 1,580 shares of first preferred stock leaving 68,198 shares outstanding, carried at par value of $1,704,950. There are 34,000 shares of second preferred stock of $25 par value outstanding, carried at $850,000, and 80,000 shares of no par value common stock, carried at $400,000. Surplus is $956,645.

EXCHANGE DUTY ORDER CLARIFIED

Exchange Disparity Applies on Sales Price and Imported Value

Further elucidation of the manner of applying the dumping duty to commodities imported from countries whose rate of exchange is adverse to Canada is contained in a bulletin issued to appraisers by the Department of National Revenue.

Difficulty had arisen as to how the exchange duty should be applied, whether on the selling price in the country of origin, or to the valuation imposed in Canada for duty purposes. The new bulletin makes it clear that the duty should be applied to both, the difference between the two sums then representing the amount to be collected for the special or dumping duty.

Thus, assuming the selling price in the country of origin to be $100 and the fixed value in Canada $150, and the adverse rate of exchange 10 per cent, both figures are to be increased by the difference in exchange, 10 per cent in this case, bringing the former up to $110 and the latter to $165, the difference between the two, namely $55, representing the amount of the duty to be levied.

Silk Manufacturers Find Exchange Adds to Costs

That the incereased cost of imported raw materials due to the depreciation of the dollar is a matter of some concern to Canadian silk manufacturers was apparent from the address of P. R. Watson, St. Catharines, president of The Silk Association of Canada, given at the sixth annual meeting recently.

While admitting the great benefit to those engaged in the silk industry by the tariff changes made in 1930 and 1931—without which, it was said, few mills would be operating today—the additional cost of raw silk occasioned by the drop in our dollar and the fact that world prices are established on a gold basis, is entailing some extra burden on working capital.

In regard to the tariff changes, Mr. Watson pointed out that there were still sections of the industry, throwsters, thread manufacturers, ribbon weavers and knitters, whose items have not as yet been adjusted as to wording or rates in relation to the rest of the silk and artificial silk schedule, but it was pointed out that difficulties had been occasioned by the French treaty and by the time element.

Mr. Watson said it would be well to consider some effort toward getting passed "truth in fabric" legislation to correct some evils which exist, for the benefit of all concerned including the buying public.

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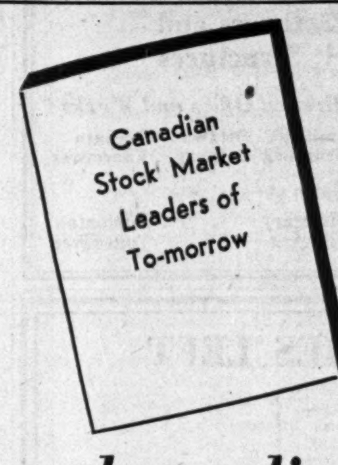

Decidedly worth reading—

Every investor should have a copy

Many investors ask The Financial Post how they are to choose the stocks that may prove to be the stock market leaders in the next period of rising prices. The Financial Post is an investment and not a speculators' paper and it does not attempt to pick stocks for market appreciation. But many common sense principles can be set down and applied to various stocks to determine which have substantial promise and great relative merit.

Without prejudice and without any claim to prophetic vision, The Financial Post recently published a series of articles on good Canadian stocks that seem to meet the most obvious tests that need to be applied to good securities. These articles are now reprinted in booklet form. The first chapter in the booklet outlines the record of some former leaders and tells why some disappeared and why some remained. It also discusses some essential tests. Further chapters discuss individual stocks. The list is given at the left. This booklet (48 pages and cover) is now available at 25c

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Reconstruction at Saint John

The re-constructed harbor facilities at the port of Saint John will be ready for the opening of the winter season, according to Alex. Johnston, deputy minister of marine. The work was running to schedule, he said, and berths 5, 6 and 7 as well as 15, 16 and 17 will be ready for business by December 1.

Alberta Butter Production

The Province of Alberta will likely create a new record this season in butter production, exceeding the 1924 peak of 22,339,000 pounds, according to Dr. C. P. Marker, dairy commissioner. So far, the output is 32 per cent ahead of last year. The work of the Cow Testing Association has trebled this year.

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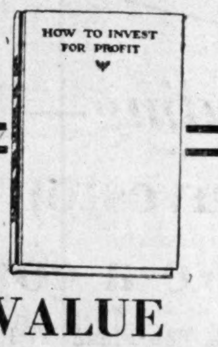

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WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto & Curb Stocks

WEEK ENDING NOVEMBER 9

Range 1931 High	Low	Divd. Rate in $	Yield in % Nov. 7	Stock	Sales	Close Nov. 2 (or last)	Week Ending Nov. 9 High	Low	Close
13¾	2½	.	...	Abitibi, c.	9985	3	4⅛	3	5⅜
50	7¾	.	...	Do. pref.	315	9	17	9½	17
105	80	7	...	Do. pref.	....	80½	..	..	..
8	5½	.	...	Agnew Surp. c.	....	7½	..	..	..
88	83	7	8.4	Do. pref.	....	83	..	..	..
7½	2½	.	...	Alta. Pac. Gr.	40	6	7½	6½	7½
30	10½	.	...	Do. pref.	....	16	..	..	..
4	3	.	...	Amal. Electric	....	3	..	..	..
18	10	.	...	Do. pref.	....	10	..	..	..
3½	2½	25c	...	Anglo N. Hold.	....	3½	..	..	..
.50	.25	.	...	Asbestos	....	.25	..	..	..
2.00	.45	.	...	Do. pref.	....	.50	..	..	..
9	5	60c	8.6	Assoc. Brew.	120	5	8	7	8
70½	67	7	9.9	Do. pref.	....	70	..	..	..
10	4	.	...	Assoc. Can.	....	4	..	..	..
69	65	4+50	..	Assoc. Tele.	....	66	..	..	..
37½	12¾	.	...	Atlan. Sugar	50	22½	22½	22½	22½
105	79¾	.	...	Do. pref.	....	92	..	..	..
175½	158¼	10	6.1	Bk. Can. Nat.	....	164¾	..	..	..
303	235	12	5.1	Bk. Montreal	18	235	235	235	235
326	284	16	5.6	Bk. N. Scotia	....	284	..	..	..
238	213	12	5.6	Bk. of Toronto	2	213	213	213	213
24	8½	.	...	Barcelona Tr.	....	15	..	..	..
5¼	3½	.	...	Bathurst Pr.	55	3½	3½	3½	3½
5	2	.	...	Do. (B)	....	2¼	..	..	..
x26	26	.	...	Bawlf Grain	....	..	..	..	..
25	20	.	...	Do. pref.	....	20	..	..	..
12	6	.	...	Beath & Sons	....	6	..	..	..
20	10	1	9.7	Beatty Bros.	95	10¼	10¼	10	10¼
80	60	6	9.4	Do. pref.	....	63½	..	..	..
8½	3	.	...	Beauharnois	2107	3½	3½	3½	3½
93	85	7	8.2	Belding Cort.	....	85	..	..	..
100	90	7	7.8	Do., pref.	....	90	..	..	..
55	10	.	...	Belgo C.P. pf.	....	10	..	..	..
151⅞	121	8	6.4	Bell Telephone	1191	121⅛	132½	121	132
4½	3	.	...	Biltmore Hats	....	3	..	..	..
65	60	7	10.8	Do., pref.	....	65	..	..	..
x22	14	.	...	Bissell	....	..	..	..	..
x97	88	.	...	Do. pref.	....	..	..	..	..
20	12	2	11.1	Blue Ribbon	45	16	18	17	18
39½	30	3.25	9.3	Do. pref.	51	35	35	35	35
22½	14	2	11.4	Brant. Cd. pf.	21	17½	17½	17½	17½
28½	7¾	50c(d)	..	Brazilian Tr.	29117	12¼	14½	12	14⅛
.40	.25	.	...	Brewing Corp.	....	.40	..	..	..
7¼	3	.	...	Do. pref.	100	7¼	3	3	3
x2	¼	.	...	Brew. & Distil.	....	..	..	..	..
16½	7¾	80c	6.7	Brit. Amer. Oil	13480	11¼	12¼	11	12
3½	½	.	...	B.C. Packers	1650	1	3	1	2⅞
22	5	.	...	Do. pref.	555	6	13	6	7
42½	26	2	7	B.C. Power	3603	26	29	26	28½
18	7	.	...	Do. (B)	275	8	9	8⅞	9
2	1	.	...	B.E. Steel	....	1⅛	..	..	..
21	18½	.	...	Do. 1st pref.	....	18½	..	..	..
3½	1⅞	.	...	Do. 2nd pref.	....	2¾	..	..	..
8	4½	.	...	Bruck S. Mills.	320	4½	6	4½	6
26	16⅞	2	9.7	Building Prod.	555	20½	22½	20½	22½
44½	29½	3	8.6	Burt, F. N.	545	35⅛	37	34½	35½
146	137	6	4.4	Calgary Pr.	....	137	..	..	..
7⅞	3⅛	.	...	Can. Bread	1780	4	5½	4	5
100	87	7	7.4	Do. pref. (A)	5	95	95	95	95
80	55	2	3.2	Do. pref. B.	....	63	..	..	..
13½	8¾	1	10	Canada Bud.	580	10	10	10	10
8⅝	5	.	...	Can. Cement	11986	8⅝	9½	7⅛	9½
96½	63	6.50	8.1	Do. pref.	506	78	83	76	80
45	14	3	15	Canada Dry	9500	19	20¼	18½	19⅞
12	10	.	...	Can. Forg. (A)	....	10	..	..	..
x16	5	.	...	Do. (B)	....	..	..	..	..
68	66	3	4.5	Canada Iron	....	66	..	..	..
76	60	6	10	Do. pref.	....	60	..	..	..
650	630	20	3.2	Canada Life	....	630	..	..	..
16½	10¾	1.50	10	Can. Malting	520	12	15	12½	15
25½	15	80c	4.1	Can. Nor. Pr.	....	19½	..	..	..
107	104	7	6.6	Do. pref.	....	106	..	..	..
6	½	.	...	Can. Paving	20	1	1	1	1
51	10⅛	.	...	Do. pref.	1	10½	10½	10½	10½
216	190	12	6.2	Can. Perman.	19	190½	193	191	192
4.50	.50	.	...	Can. Pr. & Pa.	350	.50	.60	.60	.60
9	3	.	...	Can. Steamsh's	10	3	3	3	3
27	8	.	...	Do. pref.	350	9	9½	9	9½
20	14½	1.60	8.9	Can. Vinegar	145	16	18	16	18
70	54½	4	6.5	Can. W. Cable	148	61	61	61	61
30½	20	1	4.8	Do. (B)	480	20¾	21	20¾	20¾
16	9½	.	...	Can. Bakeries	....	9¾	..	..	..
35	31	4	12.9	Do. pref.	....	31	..	..	..
232	196	12	6.1	Can. Bk. Com.	37	196	196	196	196
36½	19	2.50	13.2	Can. Bronze	70	19	19	19	19
110	102	7	6.9	Do. pref.	....	102	..	..	..
13½	8	50c	5.9	Can. Canners	36	8½	8½	8½	8½
92½	81	6	7.4	Do. 1st pref.	....	81	..	..	..
14	8¾	80c	8.2	Do. 2nd. pref.	763	9¾	9¾	9¾	9¾
19	4⅞	1.75	17.5	Can. Car & F'y	7887	8⅞	10⅛	8⅞	9
25½	14⅜	1.75	9.1	Do. pref.	2703	18½	20	18½	19
14½	6	.	...	Can. Celanese	15	7	7	7	7
73½	59	7	10.8	Do. pref.	....	65	..	..	..
58	30	4	13.3	Can. Convert.	....	30	..	..	..
x50	45	.	...	Can. Cottons	....	..	..	..	..
55	49	6	10.8	Do. pref.	5	55	55	55	55
36½	23	3	11.5	Can. Dredge	711	24½	26½	24½	26½
92	92	7	7.6	Do. pref.	....	92	..	..	..
81⅜	79	6	7.5	Can. Fairb. pf.	10	80	80	80	80
6	5¾	.	...	Can. For. Inv.	....	6	..	..	..
80	70	8	10.4	Do. pref.	....	77	..	..	..
300	200	4	2	Can. Gen. Elec.	10	200	200	200	200
63½	59	3.50	5.9	Do. pref.	20	59	59	59	59
80	52	6	9.1	Can. Hyd. E. p.	66	66	66	66	66
5½	1⅛	.	...	Can. Ind. Alc.	2675	1½	3	1⅜	2½
3½	¾	.	...	Do. (B)	35	1	3	2	2
5.00	3.95	.	...	Can. Int. I. Tr.	....	3.95	..	..	..
70	64½	5	7.7	Do. pref.	....	65	..	..	..
42	15	1	...	Can. Lt. & Pr.	....	25	..	..	..
18	18	.	...	Can. Locomo.	....	18	..	..	..
25	10	.	...	Do. pref.	....	10	..	..	..
b4½	1⅛	.	...	Can. Marconi	3800	1⅝	1⅝	1½	1⅝
23½	9	1	7.7	Canadian Oil	495	11	13½	11½	13½
120	95½	8	8	Do. pref.	25	100	100	100	100
45½	12¼	1.25	..	Can. Pacific	8183	17	20	16¾	20
6½	5	.	...	C. Pr. & Pa. In.	....	5	..	..	..
6½	2⅛	.	...	Can. Vickers	....	3	..	..	..
35	16	.	...	Do. pref.	....	20	..	..	..
6	2½	50c	14.3	Can. Wineries	355	3	3½	3	3
16	6	1	13.1	Can. Wire Box	150	7	8	7½	7½
12	12	.	...	Catelli Mac. A.	....	12	..	..	..
5	5	.	...	Do. (B)	....	5	..	..	..
301	290	12+3	5	Cent. Can. L'n	....	300	..	..	..
5.35	1.50	.	...	Chem. Research	5600	2.60	3.45	2.50	3.15
20.25	7.00	30c(c)	..	Cities Service	195	7.50	9.60	8.75	9.60
10	3	.	...	Cockshutt Plow	9707	7	8	6¾	8
9	3	.	...	Comm. Alcohol	....	4	..	..	..
9	3	.	...	Conduits	70	3	4	3½	4
94	84	7	7.8	Do. pref.	....	90	..	..	..
12⅞	7½	1	9.5	Cons. Bakeries	2120	8½	10½	8⅞	10½
3	⅛	.	...	Cons. Food Pr.	210	½	¾	½	¾
6	3	.	...	Do. (A)	....	3	..	..	..
18⅝	8	80+20c	11.8	Cons. Indust.	170	8⅝	9	8	8½
31	23	2	8.3	Cons. Press	....	23	..	..	..
80	62	7	10	Cons. Sand. pf.	....	70	..	..	..
188¼	64	2.50†	2.90	Cons. Smelters	18266	65	90	65	86
187	180	10	5.5	Consumers Gas	85	180	180	180	180
x35	30	.	...	Cooksville Co.	....	..	..	..	..
x85	85	4	...	Do. pref.	....	..	..	..	..
20½	15	.	...	Corporate Steel	....	15	..	..	..
x90	90	.	...	Corr. P. Box, p	....	..	..	..	..
3	1	.	...	Cosgrave Br.	50	2½	3	3	3
9	5	.	...	Cosmos Imp.	15	7	8½	8½	8½
93	65	7	10	Do. pref.	15	68	70	70	70
6½	2	.	...	Crown Dom. Oil	1035	3	4½	3	3½
15	8½	3	...	Crow's N. Coal	....	10⅛	..	..	..
5	3	.	...	David & Fre. B	....	3	..	..	..
12½	12½	.	...	De Havilland	....	12½	..	..	..
9	9	.	...	Disher Steel	....	9	..	..	..
x18	17	1.50	...	Do. pref.	....	..	..	..	..
12⅞	6¾	1	11.1	Distill-Seagram	1792	7	9	7	9
223	204	12	5.9	Dominion Bank	20	204	204	204	204
55½	27	3	10.7	Dom. Bridge	13032	27	28	27	27¾
40	40	.	...	Dom. Coal	....	40	..	..	..
50	15	.	...	Dom. Engineer.	50	18	24½	22	24½
x14	10	.	...	Dom. Found.	....	..	..	..	..
126	82	7	8.5	Dom. Glass	125	82	82	82	82
125	119	7	5.8	Do. pref.	....	120	..	..	..
20	20	.	...	Dom. Iron, pf.	....	20	..	..	..
11¾	2¾	40c	10	Dom. Motors	170	3½	4	3¼	4
14	10	.	...	Dom. Pr. Stubs.	25	10	10	10	10
24	24	.	...	Dom. Steel, pf.	....	24	..	..	..
8½	1	.	...	Dom. St. & C.B.	3503	2¾	4	3	3¼
24¼	13½	1.20	6	Dom. Stores	1805	19	20	18¾	19½
14	5	.	...	Dom. Tar & Ch.	465	5¾	6	5½	5¾
95	79½	6.50	8.2	Do. pref.	....	79½	..	..	..
83	63	5	7.7	Dom. Textile	1925	63¼	65	63¼	63½
123	120	7	5.8	Do. pref.	....	120	..	..	..
12	10	.	...	Donnacona	....	10	..	..	..
7	1½	.	...	Dryden Paper	200	3	3½	3	3½
7½	3	.	...	Duff. Paving	....	6	..	..	..
80	68	7	10.3	Do. pref.	....	68	..	..	..
25½	16	1	5	East. Dairies	90	20	20	20	20
20	16	1+1	...	East. Steel	....	16	..	..	..
100	97	7	7.1	Do. pref.	....	98	..	..	..
16	16	.	...	East Koot. Pr.	....	16	..	..	..
97	94⅜	7	7.3	Do. pref.	....	96	..	..	..
x34	28½	2	...	East. Theatres	....	..	..	..	..
x85	80	7	...	Do. pref.	....	..	..	..	..
3¾	3¾	.	...	Easy Washer	....	3¾	..	..	..
37	34¾	1.75	4.7	Economic Inv.	....	37	..	..	..
15	15	.	...	Edmonton D'y	....	15	..	..	..
80	78⅜	6.50	8.3	Do. pref.	....	78⅜	..	..	..
8	5	.	...	Enam. & Heat.	....	5	..	..	..
40	28½	3	10.5	Eng. Electric	....	28½	..	..	..
16	5	.	...	Do. (B)	....	5	..	..	..
39½	16	2	11.1	Fam. Players	....	18	..	..	..
33½	18	2	11.1	Do. Vot. Tr.	....	18	..	..	..
18	9¾	1	9.5	Fanny Farmer	....	10½	..	..	..
34	28	2.40	7.3	Do. pref.	....	32½	..	..	..
x.25	.10	.	...	Federal Distil.	....	..	..	..	..
x83½	75	.	...	Firstbrook Box	....	..	..	..	..
29¼	10¼	1.20	6.8	Ford Motors A	6525	15¼	18½	15⅜	18
15	5	.	...	For. Pr. Secs.	....	5	..	..	..
16½	8¼	1	10.8	Foundation Co.	40	9	9¼	9¼	9¼
3	½	.	...	Fraser Cos.	10941	1	2½	1	2
25	25	.	...	Fron. Brew. pf.	....	25	..	..	..
8	5	.	...	Frost Steel	....	7	..	..	..
96½	85	7	8.2	Do. pref.	....	85	..	..	..
7¼	1⅛	.	...	Gen. St. Wares	2335	3½	4	3	4
119	70	5+2.50	7.5	Goodyear Tire	172	85	105	85	103
107⅞	94¼	7	7	Do. pref.	60	99½	99½	99½	99½
93¼	93¼	7	7.5	Gould Pumps p	....	93¼	..	..	..
¾	½	.	...	Gt. W. Saddlery	125	¾	¾	¾	¾
8	6	.	...	Do. pref.	....	8	..	..	..
31	20	2	9.5	Gurd, Chas.	1240	21	21½	21	21
12⅞	5	40c	5.7	Gypsum, Lime	10279	5¼	7	5½	7
20¼	6¾	.	...	Ham. Bridge	1950	7	9	7	9
80	63	6.50	10	Do., pref.	28	65	65	64	65
19	13	2	15.4	Ham. Cotton, p	....	13	..	..	..
4½	3	.	...	Ham. U. Theat	....	3	..	..	..
63	55	7	11.7	Do. pref.	....	60	..	..	..
12	4	.	...	Hayes Wheel	10	4	4	4	4
x95	80	.	...	Do. pref.	....	..	..	..	..
x50	50	.	...	Hillcrest Coll.	....	..	..	..	..
x91	91	.	...	Do. pref.	....	..	..	..	..
4	1½	.	...	Hinde & Dauch	....	1½	..	..	..
x120	120	.	...	Holt, Renfrew	....	..	..	..	..
x96½	90	7	...	Do. pref.	....	..	..	..	..
7	3	.	...	Honey Dew	....	3½	..	..	..
59	50	7	13.5	Do. pref.	....	52	..	..	..
6	3	.	...	H. Smith Pap.	112	4	5½	4¼	5½
45	30	.	...	Do. pref.	....	32	..	..	..
22	15	2.40	11.1	Humberstone S	65	22	22	21	21
23½	17	1.40+50	10.8	Hunt (A)	35	18	18	17½	18
23½	18½	1.40+50	10.2	Do. (B)	....	18½	..	..	..
150	143	8	5.5	Huron & E. M.	1	145	144	144	144
29½	28	.	...	Do. 20% pd.	....	28	..	..	..
29⅝	13⅛	1.20	8.6	Hydro Electric	....	14	..	..	..
225	201	12	5.9	Imperial Bank	....	203	..	..	..
18⅜	8¾	50+50c	7.7	Imperial Oil	25250	12	13¾	12	13½
10½	8⅛	35+20c	6.2	Imperial Tob.	1985	8⅞	9	8⅞	8⅞
80	80	8	...	Intercol. Coal p	....	80	..	..	..
29	13	2a	...	Int. Hyd. E(A)	....	13	..	..	..
103	92	7	7	Inter. Mill., pf.	87	95	100	95	100
80	80	6	7.5	Do. Series (A)	....	80	..	..	..
20½	8½	40c	2.88	Inter. Nickel	58094	10⅜	14½	10½	13⅞
10	5	.	...	Inter. Paints	....	5	..	..	..
b10½	1⅞	.	...	Int. Pa. & Pr.A	1300	3⅜	4⅞	3⅜	4⅞
b6	⅛	.	...	Do. (B)	900	1½	1⅞	1⅜	1⅞
b4½	¾	.	...	Do. (C)	3200	1⅛	1½	1½	1⅞
b43½	9½	.	...	Int. Pa. pfd.	4900	13	19¾	13	19¾
15½	8½	1	7.5	Inter. Pete.	12071	11⅜	13¾	11¾	13¼
8	5	.	...	Inter. Power	....	5	..	..	..
73	56½	7	12.3	Do. pref.	2	57	57	57	57
45	14½	3.50	16.7	Int. Util. (A)	275	21	21	19¾	21
11	2⅞	.	...	Do. (B)	1225	3¾	4	3½	3¾
40	40	1	2.5	Jam. Pub. Ser.	....	40	..	..	..
109	99¾	7	7	Do. pref.	....	100	..	..	..
5½	2½	.	...	Kelvinator	30	4	4½	4	4½
90⅛	73¼	7	7.8	Do. pref.	55	90	90	90	90
x40	40	.	...	Kng. Ed. Hotel	....	..	..	..	..
24	5	.	...	Lake of Woods	1270	9	9¾	9	9¾
101	82	.	...	Do. pref.	5	82	85	85	85
140	140	8	5.7	Landed Bank.	....	140	..	..	..
46	33	3	7.9	Laura Secord	325	37	40	37	40
16	8¾	1	10	Lindsay, C. W.	165	10	10	10	10
72½	65	6.50	9.7	Do. pref.	....	67	..	..	..
14¾	10¾	80c	6.7	Loblaw (A)	1156	11½	12½	11	12½
14¾	10	80c	6.9	Do. (B)	380	10¾	11½	10½	11½
x2¾	2¾	.	...	Loew's, London	....	..	..	..	..
25	10	.	...	MacKin. Steel	....	20	..	..	..
95	90	7	7.7	Do. pref.	....	91	..	..	..
x36	20	.	...	Manitoba Pr.	....	..	..	..	..
10½	5	.	...	Maple Leaf	320	5	10½	6	9
40	10	.	...	Do. pref.	60	15	35	30	35
35	30	.	...	Do. pref. (B)	30	..	35	30	30
36	30	.	...	Marcus Loew's	10	30	36	36	36
71	70	7	9.8	Do., pref.	....	70	..	..	..
10½	1⅞	.	...	Massey-Harris	28080	5⅜	6¼	5	5⅞
22½	9⅝	60c	5.7	McColl Fron.	26546	9⅞	11	9⅞	10½
80	69¾	6	7.9	Do. pref.	....	76	..	..	..
45	35	.	...	Mexican L. & P.	....	35	..	..	..
x25	25	.	...	Mercury Mills	....	..	..	..	..
x89	58½	.	...	Do., pref.	....	..	..	..	..
40½	40	2	5	Mitchell, J. S.	....	40	..	..	..
105	104	7	6.7	Do. pref.	....	105	..	..	..
20	8	1	10	Mitchell, Robt.	336	8	10	8	10
1	1	.	...	Monarch Knit.	....	1	..	..	..
38	38	.	...	Do., pref.	....	38	..	..	..
95½	83½	6	6.5	Montreal Cot.	....	92	..	..	..
102	98	7	7	Do. pref.	....	100	..	..	..
3½	2	.	...	Montreal Exhib.	....	2¾	..	..	..
20	14	.	...	Mont. Is. Pr.	....	14	..	..	..
68½	38	1.50	3.7	Mont. L. & Pr.	59133	38	41	38	40
49½	48	3+25	6.8	Montreal Loan	....	48	..	..	..
60	48	3.20	6.3	Montreal Tele.	....	51	..	..	..
177	155	10	6.4	Mont. Trams.	111	155	156	155	156
17¾	11	1	7.7	Moore Corp., c.	340	11½	13	11½	13
108½	98	7	7	Do. (A)	....	100	..	..	..
126	103	7	6.8	Do. (B)	....	103	..	..	..
x10	10	.	...	Mt. Royal Hot.	....	..	..	..	..
x49	49	1	...	Do. pref.	....	..	..	..	..
3½	2	10c	...	Muirheads	70	2½	3	2½	3
10	6	75c	7.9	Do. pref.	....	9½	..	..	..
35½	23½	1.60	6.7	Nat. Brew.	7217	24	24	24	24
35	27	1.75	5.6	Do. pref.	....	31	..	..	..
x10	3	.	...	Nat. Brick	....	..	..	..	..
19	9	.	...	Do. pref.	....	..	..	..	..
.50	.25	.	...	Nat. Distiller.	....	.40	..	..	..
42	11½	2	15.7	Nat. Steel Car	15900	12½	13½	12½	12½
360	250	14	5.6	National Trust	3	252	250	250	250
13	10⅝	1.50	14.1	Niag. W. Weav.	....	10⅝	..	..	..
36	32	3	9.4	Do. pref.	....	32	..	..	..
6.00	2.00	.	...	North Star Oil	200	2.00	4.00	3.00	4.00
4.95	4.50	35c	7.4	Do. pref.	....	4.70	..	..	..
x25	22½	.	...	N.S. Steel, pf.	....	..	..	..	..
285	125	8	4.3	Ogilvie Flour	75	135	185	185	185
130	116¾	7	6	Do. pref.	....	117	..	..	..
21	9¼	60c	6.5	Ont. Eq. 10% p	10	9¼	9¼	9¼	9¼
120	113	6	5.1	Ontario Loan	....	117	..	..	..
7	5	.	...	Ont. Silknit	....	7	..	..	..
16	13	80c	6.1	Ont. Steel	....	13	..	..	..
x105	105	7	...	Do. pref.	....	..	..	..	..
1½	¾	.	...	Orange Crush	....	¾	..	..	..
60	50	7	13.7	Do. (A)	....	51	..	..	..
5½	2½	.	...	Do. (B)	....	3	..	..	..
110	90	6	5.7	Ott. L. H. & Pr	....	105	..	..	..
105½	102	6.50	6.3	Do. pref.	....	103	..	..	..
25	25	.	...	Ott. Traction	....	25	..	..	..
92⅞	68	5	6.7	Page Hersey	2972	69½	76	69½	74
49	21½	2.50	11.6	Paramount	....	21½	..	..	..
35	30	.	...	Paton Mfg.	....	30	..	..	..
94	82	7	7.4	Do. pref.	....	94	..	..	..
⅛	⅛	.	...	Pelissiers	....	⅛	..	..	..
30	25	.	...	Do. pref.	....	30	..	..	..
73	31	4	12.1	Penmans	282	33	33	33	33
101	93	6	6.2	Do. pref.	10	93	97	97	97
.75	.50	.	...	Perfec. Glass	....	.50	..	..	..
29	18	2	8.9	Photo Eng.	100	20	23	21	23
40	10	.	...	Port Alfred, pf.	....	10	..	..	..
70	64	7	10	Porto Rico pf.	....	70	..	..	..
b39½	8½	.	...	Postal Tele.	....	..	..	..	..
63½	35⅞	2	5.5	Power Corp.	755	36½	36½	36½	36½
102	94	6	6.2	Do. pref.	....	97	..	..	..
4½	3	.	...	Prairie C. Oil.	....	3	..	..	..
16	8½	50c	5	Pressed Metals	....	10	..	..	..
42¾	25	1	4	Price Bros.	....	25	..	..	..
99	70	6.50	9.3	Do. pref.	30	70	70	70	70
49	27	2.50	8.6	Quebec Power	1348	29	29¾	29	29¼
110	105	7	6.7	Real Estate Ln.	....	105	..	..	..
3	1	.	...	Regent Knit.	805	1½	1¾	1½	1¾
10	5½	.	...	Reliance Grain	300	6½	9	8	9
16	9	2	16.7	River. S. Mills	650	10	12¼	11	12¼
19½	11	1.50	12.9	Robinson Cone	5	12	11⅝	11⅝	11⅝
16½	9	1.20	13.3	Rogers Majes.	....	9	..	..	..
291	231	12	5.2	Royal Bank	2	231	231	231	231
84	75	7	9.3	Ruddy, E. L. p.	....	75	..	..	..
77¾	60¾	3	4.9	Russell Motor	....	60¾	..	..	..
95	76½	7	9.2	Do. pref.	....	76½	..	..	..
7	7	.	...	Sarnia Br. (A)	....	7	..	..	..
x12	5	.	...	Do. (B)	....	..	..	..	..
36¾	6	.	...	Serv. Station	2767	7	10	6¾	10
90½	50	6	12	Do. pref.	178	50	60	50	60
59½	32½	2	6.1	Shawinigan	4543	33	33½	33	33
30	20	1.60	6.7	Sher.-Wms.	28	24	24	24	24
121	112	7	6.2	Do. pref.	....	112	..	..	..
22	14	2.50	14.7	Simon & Son.	5	15½	17	17	17
92½	71½	7	7.7	Do. pref.	....	91	..	..	..
92½	71½	6.50	8.9	Simpsons Ltd.	15	73	73	73	73
44½	36	.	...	Do. (A)	....	36	..	..	..
35½	24½	.	...	Do. (B)	....	29	..	..	..
108	100	6	6	Simpson, Robt.	....	100	..	..	..
4	½	.	...	St. Law. Corp.	1015	1½	3	1	3
12	2½	.	...	Do. (A)	196	4	6½	5	5
20	16	.	...	St. Law. Flour	....	16½	..	..	..
85	82	7	8.2	Do. pref.	....	85	..	..	..
30⅛	10	.	...	St. Law. Pap. p.	413	10⅝	15	10½	12½
30	4	.	...	St. Maur. V. p	....	4	..	..	..
32	22¾	1	3.4	South. Can. Pr.	5	29	29	29	29
106½	104	6	5.7	Do. pref.	20	105¾	105¾	105¾	105¾
16⅜	4	.	...	St. Pav. & Mat.	455	4	6	4	4½
80	55	7	11.7	Do. pref.	....	60	..	..	..
1	1	.	...	Stanfords	....	1	..	..	..
15	5	1	...	Stand. Chem.	5	5	5	5	5
9⅞	3½	.	...	Stand. Steel	355	4	4	3½	4
35	30	3	10	Do. pref.	....	30	..	..	..
42½	24	1.75	6.1	Steel of Can.	8028	22½	28½	22⅛	28½
37	28¾	1.75	5.5	Do. pref.	325	29¾	32	29	32
4½	2¼	.	...	Sterling Coal	....	2⅛	..	..	..
32½	12¾	1	4.5	Sup. Pet. ord.	822	18	23	18½	23
105	94	7	7.2	Do. pref.	20	97	97	97	97
31	14	1	5.5	Do. com.	....	18	..	..	..
49	41	.	...	Tamblyn	50	49	49	49	49
106	101	7	6.7	Do. pref.	....	105½	..	..	..
30	20	3.50	16.7	Thayers, pref.	....	21	..	..	..
13	6½	.	...	Tip Top Tailors	....	8½	..	..	..
90	77	7	8.4	Do. pref.	....	83	..	..	..
22	10	.	...	Tooke Bros.	....	10	..	..	..
67	48½	.	...	Do. pref.	....	48½	..	..	..
15	9½	.	...	Tor. Elevators	35	13	14	13	14
235	210	12	5.6	Tor. Gen. Tr.	....	215	..	..	..
115	108	6	5.4	Toronto Mtge.	....	110	..	..	..
3	1	.	...	Traymore	50	1	1	1	1
12½	9	.	...	Do. pref.	....	9	..	..	..
130	120	7	5.5	Tuckett Tob. p	....	128	..	..	..
17½	4	.	...	Twin City	27	4½	4	4	4
b62	19⅜	7	...	Do. pref.	....	..	..	..	..
45	28	.	...	Do. (notes)	100	43	40	40	40
16	6¾	1	13.7	Union Gas.	1545	8	8	7	7¼
101½	98	7+1	7.9	Union Trust	....	100½	..	..	..
8	3	.	...	United Fuel	....	3	..	..	..
65	24	4	11.4	Do. pref.	....	35	..	..	..
62½	40	2	5	United Secs.	25	50	40	40	40
24¼	8¼	.	...	Viau Biscuit	342	9½	15	9½	15
85	70	7	10	Do. pref.	....	70	..	..	..
30	10	.	...	Wabasso Cot.	....	10	..	..	..
8¾	3	50c	12.5	Walker-Good.	25684	3⅞	4⅜	3⅞	4
7¾	2	.	...	Waterloo Mfg.	40	6	6	5	6
45	30	1	2.5	Weston Bisc.	....	40	..	..	..
90	79	7	8.9	Do. pref.	....	79	..	..	..
17½	6½	.	...	West. C. Flour	370	7	10⅞	6½	10
96	75	6.50	8.7	Do. pref.	5	75	75	75	75
17	10	.	...	West. Grocers	....	10	..	..	..
55	40	7	17.5	Do. pref.	41	40	40	40	40
91	85	.	...	W. Steel Pr. p.	....	91	..	..	..
x9	9	.	...	Whittall Can.	....	..	..	..	..
13	10	.	...	Windsor Hotel	....	12	..	..	..
73	71	6.50	9.1	Do. pref.	....	71	..	..	..
21½	4	.	...	Winnipeg Elec.	1502	7	11	7	11
81½	49	7	14	Do. pref.	44	49	50	50	50
‡30	30	.	...	Woods Mfg.	....	..	..	..	..
40	36	.	...	Do. pref.	....	36	..	..	..
80	80	.	...	Wood Alex, J.p	....	80	..	..	..
x2½	1½	.	...	Zimmerknit	....	..	..	..	..
7	7	.	...	Do. pref.	....	7	..	..	..

x Quotations for 1930. No sales recorded in 1931 to date.
a Or payable in stock.
b New York Quotations.
‡ Quotations for 1929.
c 2½c monthly plus stock dividend of .005% monthly.
d 4% in stock and 50c cash.
† Plus stock bonus.

Winnipeg Stock Exchange

November 4

	Bid	Ask		Bid	Ask
Beaver Fire	..	115	Gt. West Life	..	*415
Beaver Lumber c.	..	5	Home Investment	..	50
Do., pref.	..	100	Monarch Life	..	30
Can. Amer. Tr. shs.	..	4¾	Nor. Can. Mtge. pf.	15	...
Can. Fire Ins.	...	85	Nor. Can. Mtge. c.	½	...
Can. Indemnity	120	...	Un. Gr. Growers	10	..
Crescent Creamery	...	90	West Breweries	2	2¼

*Indicates broken lots.

Dividends Declared

	Annual rate	Amt. this payment	Date payable	Date of record
Assoc. Telephone & Tel. "A"	...	$1+50c	Jan. 1/32	Dec. 17
Agnew Surpass pfd.	7%	1¾%	Jan. 2	Dec. 15
Bk. Can. Nationale	10%	2½%	Dec. 1	Nov. 14
Bank of Montreal	12%	3%	Dec. 1	Oct. 31
Bank of Toronto	12%	3%	Dec. 1	Nov. 14
Brazilian Traction, ord.	...	25c	Dec. 1	Oct. 31
Borden Co. com.	$3	75c	Dec. 1	Nov. 14
Belding Corticelli, pref.	7%	1¾%	Dec. 15	Nov. 30
Canada Bread "B" pref.	...	50c	Dec. 1	Nov. 14
Canada Vinegars	$1.60	40c	Dec. 1	Nov. 14
Can. Hydro, 1st pref.	6%	1½%	Dec. 1	Nov. 1
Canadian Oil	$1	25c	Nov. 14	Oct. 31
Do., pref.	8%	2%	Jan. 1	Dec. 19
Can. Wire & Cable "A"	$4	$1	Dec. 15	Nov. 30
Do. "B"	$1	25c	Dec. 15	Nov. 30
Do., pref.	6½%	1⅝%	Dec. 15	Nov. 30
Canadian Car, com.	$1.75	44c	Nov. 30	Nov. 13
Can. Converters	$4	$1	Nov. 16	Oct. 21
Can. Bank of Commerce	12%	3%	Dec. 1	Oct. 31
Can. Pr. & Paper Invest. pfd.	5%	1¼%	Nov. 16	Oct. 20
Consolidated Sand pref.	$7	$1.75	Nov. 16	Oct. 31
Cosmos Imperial, pref.	7%	1¾%	Nov. 15	Oct. 31
Canadian Investors Corp.	60c	15c	Nov. 2	Oct. 16
Crow's Nest Coal	$3	75c	Dec. 1	Nov. 9
Can. Silk Products "A"	$1.50	37½c	Dec. 1	Nov. 15
Can. Pacific Railway, ord.	5%	1¼%	Dec. 31	Dec. 1
Dominion Textile	$5	$1.25	Jan. 2	Dec. 15
Do., pref.	7%	1¾%	Jan. 15	Dec. 31
Distillers-Seagrams	$1	25c	Nov. 16	Oct. 31
Eastern Theatres, com.	$2	50c	Dec. 1	Oct. 31
East Kootenay Pr., pfd.	7%	1¾%	Dec. 15	Nov. 30
Foreign Power Secs. pfd.	6%	1½%	Nov. 16	Oct. 31
Foundation Co., com.	$1	25c	Nov. 15	Oct. 31
Imperial Oil	50c	12½c	Dec. 1	Nov. 14
International Milling pfd.	7%	1¾%	Dec. 1	Nov. 20
Do., pref.	6%	1½%	Dec. 1	Nov. 20
Kelvinator, pref.	7%	1¾%	Nov. 16	Nov. 5
Loblaw Groceter. "A" & "B"	80c	20c	Dec. 1	Nov. 12
Lindsay, C. W.	$1	25c	Dec. 1	Nov. 15
Do., pref.	6½%	1⅝%	Dec. 1	Nov. 15
Langley's, pref.	7%	$1.75	Nov. 14	Oct. 31
Lake Shore Mines	$2+50c	50c+50c	Dec. 15	Dec. 1
Laura Secord	$3	75c	Dec. 1	Nov. 16
McIntyre-Porc. Mines	20%	5%	Dec. 1	Nov. 2
Mitchell, J. S., com.	$2	$1	Nov. 9	Oct. 1
McColl Frontenac, c.	60c	15c	Dec. 15	Nov. 14
Montreal Loan & Mtge.	12%	3%	Dec. 15	Nov. 30
N. S. Light & Power pfd.	6%	1½%	Dec. 1	Nov. 14
Ont. & Que. Rly.	$6	$3	Dec. 1	Nov. 1
Do., deb. stk.	5%	2½%	Dec. 1	Nov. 1
Ontario Steel Pr.	80c	20c	Nov. 16	Oct. 31
Do., pref.	7%	1¾%	Nov. 16	Oct. 31
Premier Trust	$5	$2.50	Dec. 31	Dec. 24
Penmans	$4	$1	Nov. 16	Nov. 5
Power Corp., com.	$2	50c	Nov. 20	Oct. 31
Provincial Bank	10%	2½%	Dec. 1	Nov. 14
Royal Bank	12%	3%	Dec. 1	Oct. 31
Rolland Paper, pref.	6%	1½%	Dec. 1	Nov. 16
Reliance Grain, pfd.	6½%	1⅝%	Dec. 15	Nov. 30
Second Standard Royalties, pfd.	...	1%	Nov. 9	Oct. 30
Standard Steel, pref. "A"	$3	75c	Jan. 1	Dec. 15
Standard Paving, pref.	$7	$1.75	Nov. 16	Oct. 31
Southern Can. Power com.	$1	25c	Nov. 16	Oct. 31
Union Gas	$1	25c	Dec. 10	Nov. 20
Windsor Hotel, pref.	6½%	1⅝%	Dec. 1	Nov. 14

Dividends Passed or Deferred:
Lake of Woods Milling, pref., Dec. 1, deferred. Last paid 1¾% Sept. 1, 1931.
B. C. Pulp & Paper, pref. Nov. 1 passed. Last paid $1.75 Aug. 1, 1931.

Dividend Rate Reduced:
Canada Wire & Cable "B" Dec. 15, 25c. Reduced from $1.75 to $1 per annum.
Canada Bread, pfd., "B," Dec. 1, 50c. Reduced from $1.75 to 50c. quarterly.
Canadian Investors Corp. 15c Nov. 2. Reduced from 25c to 15c quarterly.

Bonus Declared:
Lake Shore Mines, Dec. 15, 50c.

Bonus Omitted:
Year-end bonus of the following banks will be omitted this year: Commerce, Dominion, Imperial, Montreal, Royal & Toronto.

Listed Bond Quotations

Week Ending November 9

Montreal	Int. Rate	Due	Yield	Latest Bid	High	Low	Range 1931 High	Low
Abitibi, 1st mtge.	5	1953	51	...	55	...	78	49
Asbestos	5	1942	...	...	...	...	100	...
Asbestos, 1st mtge.	6	1941	...	...	...	...	20	15
Do., gen. mtge.	6	1956	...	...	...	...	9	...
Can. Cons. Rub.	6	1946	...	...	...	...	x102¾	102¼
Can. Cottons	5	1940	6.88	...	...	...	91	88
Can. Forgings	6	1942	6.00	...	...	...	100	...
Can. Locomotive	6	1951	...	...	...	...	x96	...
Can. Pr. (La. Ser.)	5½	1958	...	8	7	...	28½	5
Do. (Way. Ser.)	5½	1958	...	8	7	...	28½	5
Can. S. S. deb.	5	1943	...	...	...	...	x98½*	...
Cedars Rapids	5	1953	4.66	...	...	...	105	101
Dom. Canners	6	1940	...	...	...	...	x103	...
Dom. Coal	5	1940	5.29	...	...	...	98½	98
McNish	6	1948	...	2.25	...	...	3.25	2.25
Mex. L. & Pr.	5	1940	10.05	...	...	...	73¼	70½
Mont. Power	4½	1932	...	...	...	...	x100	98⅝
Mont. Tr. 1st mtge.	5	1941	4.84	...	...	...	101¼	99½
Mont. Tr. "A"	5	1955	5.70	...	...	...	95½	90½
Mont. Tr. G. & R. "B"	5	1955	5.51	...	...	...	95½	91¾
Do., "C"	4½	1955	5.64	...	...	...	85	84
Do., "D"	5	1955	5.55	...	...	...	95¼	91¾
N. S. Steel	5	1959	...	...	...	...	62⅝	59
Ogilvie Flour "A"	6	1932	5.35	...	...	...	100⅝	100
Do., "B"	6	1932	...	...	...	...	x100⅝	100
Do., "C"	6	1932	5.78	...	...	...	100¼	...
Ont. Steel	6	1943	...	...	...	...	...	...
Porto R. Pr.	5	1936	7.95	...	...	...	93	88
Steel of Can.	6	1940	4.98	...	...	...	107½	106¾
Wayagamack	6	1951	...	...	...	...	75	45
West. K. Pr.	6	1940	5.15	...	...	...	106	...
Winn. Elec.	5	1935	5.12	...	...	...	99½	98¾
Toronto								
Canada Bread	6	1941	6.00	...	...	...	101½	100
Steel of Can.	6	1940	5.12	...	...	...	106½	...
Dominion Govt. Bonds (Montreal)								
War Loan	5	1937	3.75	105.50	105.00	....	108.15	103.75
Victory Loan	5½	1933	4.80	101.00	101.12	101.00	105.25	100.75
Do.	5½	1934	5.14	100.60	101.00	....	105.30	100.00
Do.	5½	1937	4.36	105.25	105.50	....	112.40	105.25
Do., refund	4½	1940	5.06	95.25	....	....	102.12	94.75
Do., refund	5	1943	5.00	99.25	....	....	106.50	98.75
Do., refund	4½	1944	5.03	94.00	95.10	....	102.25	92.50
Do., refund	4½	1946	5.00	94.00	....	....	102.45	94.00
Do., renewal	5½	1932	4.73	100.25	....	....	103.00	100.00
Conversion Loan	4½	1956	5.00	92.25	93.00	....	102.00	92.00
Do.	4½	1957	5.04	92.50	93.00	....	102.75	92.75
Do.	4½	1958	5.03	93.50	93.75	....	104.65	92.75
Do.	4½	1959	5.02	94.50	....	....	104.70	93.50

x—Quotations for 1930. None recorded in 1931 to date.

Active Provincial & Municipal Bonds

Quotations furnished by A. E. Ames & Co., Ltd., Canada Permanent Bldg., Toronto, Ont.

November 9, 1931

Provinces	Rate	Actual Maturity	Next Int. Date	Approx. Price	Approx. Yield %
Alberta	4½	1 Oct., 1958	1 Apr.	84.78	5.60
Alberta	5	1 July, 1943	1 Jan.	93.75	5.75
Alberta	6	1 Apr., 1936	1 Apr.	100.78	5.80
British Columbia	4½	1 Oct., 1953	1 Apr.	90.00	5.27
British Columbia	5	15 Jan., 1948	15 Jan.	96.73	5.30
British Columbia	6	15 Aug., 1941	15 Feb.	103.00	5.60
Manitoba	4	1 July, 1947	1 Jan.	84.17	5.50
Manitoba	5	2 June, 1959	2 Dec.	92.90	5.50
Manitoba	5	15 June, 1943	15 Dec.	95.65	5.50
New Brunswick	4½	1 June, 1948	1 Dec.	93.77	5.05
New Brunswick	4¾	15 June, 1936	15 Dec.	98.70	5.05
New Brunswick	6	1 Jan., 1936	1 Jan.	103.13	5.15
Nova Scotia	4½	15 Nov., 1948	15 Nov.	93.77	5.05
Nova Scotia	5	1 May, 1943	1 May	99.57	5.05
Nova Scotia	6	1 Nov., 1936	1 May	103.70	5.15
Ontario	4½	1 Sep., 1944	1 Mar.	95.26	5.00
Ontario	5	15 Oct., 1948	15 Apr.	100.00	5.00
Ontario	6	2 May, 1936	2 May	104.00	5.21
P. E. I.	4	1 Apr., 1939	1 Apr.	92.92	5.15
P. E. I.	4½	1 Oct., 1944	1 Apr.	93.90	5.15
Quebec	4½	1 May, 1961	1 May	88.41	5.00
Saskatchewan	4½	1 Oct., 1944	1 Apr.	88.25	5.80
Saskatchewan	5	1 Oct., 1950	1 Apr.	85.15	5.80
Saskatchewan	6	1 Feb., 1936	1 Feb.	100.39	5.90
Cities					
Montreal	5	1 Sep., 1963	1 Mar.	99.21	5.05
Toronto	4½	1 Sep., 1954	1 Mar.	92.57	5.05
Vancouver	4	1 Aug., 1946	1 Feb.	86.20	5.35
Winnipeg	5	1 Mar., 1944	1 Mar.	93.38	5.75
Edmonton	5½	1 May, 1945	1 Apr.	93.23	6.25
Calgary	5	1 Jan., 1943	1 Jan.	89.86	6.25
Halifax	6	1 July, 1951	1 Jan.	109.73	5.20
Saint John	5	15 Dec., 1950	15 Dec.	97.57	5.20
Regina	4½	1 July, 1950	1 Jan.	80.70	6.25
Victoria	5	21 July, 1945	21 Jan.	94.70	5.55
Quebec	5	1 June, 1948	1 Dec.	100.00	5.00

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited)

November 10, 1931

Industrial Stocks:	Bid	Asked
Acadia Sug. c.	.25	.37
Acadia Sug. pfd.	2.10	2.60
Allens Coll. pfd.	30.00	....
Allens Lond. pf.	30.00	....
Andian Nat. Corp.	20.00	25.00
B.C. Pulp & P. c.	1.75	4.00
B.C. Pulp & P. 7% pfd.	26.00	....
Can. Biscuit pfd.	....	7.75
Can. Dom. Sug. c.	16.00	19.00
Can. Mach. c.	5.25	6.50
Can. Mach. 7% p.	24.00	32.00
Can. Packers c.	12.00	16.00
Can. Pack. 7% pf.	83.50	92.00
Can. Starch pfd.	70.00	....
Can. Tea pfd.	56.00	....
Can. Wire & Cable pf. W.W.	89.00	97.00
Can. Indus. c. 'A'	77.50	....
Can. Indus. c. 'B'	77.50	85.00
Can. Ind. 7% pf.	113.00	117.50
Can. Westing.	49.00	57.50
Chase, A. W. 8% pfd.	30.00	38.00
Cons. Oka Sand & Gravel pfd.	60.00	75.00
Copeland Flour 6% pfd.	10.00	14.00
Dom. Foundries & Steel pfd.	51.00	58.00
Dom. Foundries & Steel com.	5.00	7.25
Dom. Manuf. pfd.	75.50	....
Dunlop T. 7% pfd.	60.00	....
East. Car 6% pfd.	46.00	....
Fed. Grain pfd.	23.00	....
Goderich Elev. & Transit	14.00	16.00
Greening Wire 7% pfd.	86.00	93.00
Guard. Realty pf.	39.00	44.00
Hard. Carpet pfd.	....	57.00
Inter City Bak. c.	43.00	52.00
Internat. Prop. 'A'	26.00	30.00
Loew's Lon. c.	.75	....
Loew's L. 7% pf.	4.00	6.00
Massey-Harris pf.	14.00	19.00
Morrow Screw Nut 7% pfd.	94.00	98.00
Mount Royal Hotel Scrip	.75	1.75
Mount Royal H. c.	1.25	2.25
Mount Royal H. 6% pfd.	12.50	17.50
Nat. Grocers c.	.50	1.10
Nat. Groc. 2nd 7% pfd.	45.00	51.50
Paramount Oshawa com.	10.00	....
Prov. Paper pfd	60.00	70.00
Standard Clay Products com. c.	10.00	25.00
Standard Fuel pfd. bonus	64.00	72.00
Supertest Pete. "B" pfd.	17.00	....
Tor. Brick pfd.	46.00	60.00
Tor. Carpet c.	112.50	....
Tor. Carp. 8% pfd.	99.00	....
Tor. Elev. 7% pfd.	65.00	80.00
Tor. Hous. com.	24.00	32.00
United Amus. 'A'	12.00	17.00
West. Grain pfd.	12.50	....
Willards Choc. pfd.	30.00	45.00
Insurance Stocks:		
Br. Amer. Assce.	30.00	....
Can. Life Assur.	475.00	560.00
Can. Nat'l Fire	20.00	27.00
Can. Fire Ins.	77.00	85.00
Capital Life 20% pd.	11.00	16.50
Confederation Life 20% pd.	175.00	215.00
Continental Life 20% pd.	71.00	....
Crown Life	135.00	180.00
Dominion Fire	100.00	127.50

Insurance Stocks:	Bid	Asked
Dom. of Can. Gen. Insur.	195.00	220.00
Dom. Life 50% pd.	270.00	350.00
Excelsior Life 30% pd.	100.00	120.00
Federal Fire 25% pd.	29.50	37.50
Fidelity Ins. of Canada	....	80.00
Gr. West Life	390.00	425.00
Guar. Co. of N.A.	235.00	....
Halifax Fire	13.00	16.00
Imperial Life	395.00	435.00
Manufac. Life	305.00	335.00
Monarch Life	27.00	30.00
National Life 25% pd.	105.00	120.00
Sask. Life 10% pd.	11.50	17.50
Sovereign Life	25.00	30.00
Sun Life Assur.	650.00	825.00
Western Assur. c.	29.50	38.00
Western Life 20% pd.	7.00	....
Trust & Loan Stocks:		
Br. Mtg. & Trust	181.00	....
Can. Gen. Invest. Ltd.	5.00	....
Chartered Trust.	98.00	107.00
Deb. & Sec. c.	55.00	70.00
Deb. & Sec. pfd.	55.00	....
Eastern Can. Sav. & Loan	125.00	....
Eastern Trust	135.00	160.00
Guelph & Ont. Inv. par $50	53.00	58.00
Invest. Foundation Units	20.00	....
Lambton Loan & Savings	77.00	....
London & Western Trust	....	150.00
Midland Loan & Savings	16.50	....
Mtge. Disc. pfd.	3.75	4.50
Mutual Fin. pfd.	5.25	7.00
Mutual Fin. c.	5.25	7.00
Premier Trust	....	85.00
Security Loan & Savings	110.00	....
Sherbrooke Trust	110.00	....
Sterling Trust	....	90.00
Traders Fin. pfd.	42.00	....
Traders Fin. c.	....	6.00
Trusts & Guar.	75.00	81.50
Victoria Trust & Savings	165.00	....
Waterloo Trust & Savings	115.00	130.00
Power Issues:		
B.C. Elect. Pwr. & Gas pfd.	96.00	99.00
Calgary Pwr. pfd.	80.00	87.00
Can. Light & Pwr. com.	....	27.00
Can. West. Nat. Gas LH & P c.	36.00	....
Can. West. Nat. Gas LH & P pfd.	70.00	78.00
Gt. Lakes Pwr. pf.	....	55.00
N.B. Pwr. 1st pfd.	51.00	....
N.B. Telephone c.	11.00	14.00
N.S. L & P c.	45.00	....
Ottawa LH & P 6½% pfd.	....	102.00

Recent London Quotations:

Brewer Distillers	3s. 6d.
Can. & For. Sec.	7s. 6d.
Can. West. Lumber	1s. 9d.
Hudson's Bay	25s.
Do., 5% pfd.	60s.
Internat. Holdings	31
Nfld. Pr. & Pap. deb. stk.	97½
Trust & Loan of Can. (15s. pd.)	5s.

Active Current Bond Prices

November 9, 1931

	Bid	Asked	Yield
Dominion of Canada 5½/33	100.50	102.50	4.20
Dominion of Canada 5½/34	100.50	102.50	4.75
Dominion of Canada 5/43	99.	101.	4⅞
Dominion of Canada 4½/46	94.	97.	4.75
Dominion of Canada 4½/56	92.	94.	4.90
Dominion of Canada 4½/58	93.	95.	4.81
C. N. R. (Dom. of Can. Guar.) 5/54	98.	101.	4.90
C. N. R. (Dom. of Can. Guar.) 4½/51	92.	94.	4.95
C. N. R. (Dom. of Can. Guar.) 4½/55	95.	98.	4.90
C. N. R. (Dom. of Can. Guar.) 4½/56	92.	94.	4.90
C. N. R. (Dom. of Can. Guar.) 5/69	98.	101.	4.95
Province of Ontario 4½/44	91.	95.	5.00
Province of Ontario 5/48	98.	101.	4.90
Province of Ontario (Hydro) 4½/70	93.	96.	5.00
Province of Quebec 4½/56	92.	95.	4.85
Abitibi Power & Paper 5/53	48.	54.	11.00
Argentine Gov't. (Ser. B) 6/58	54.	56.	...
Beauharnois Power 6/59	65.	70.	8.90
Bell Telephone Co. of Canada 1st, 5/57	102.	106.	4.60
Brazil, U. S. of, Ext. S. F. 6½/57	29.	31.	...
British Columbia Power 5/60	85.	90.	5.70
British Columbia Power 5½/60	90.	96.	5.80
British Columbia Telephone 5/60	93.	98.	5.13
Calgary Power 5/60	83.	90.	5.70
Calgary Brewing 5/42	98.	102.	4.40
Canada Cement 1st Mtge. S. F. 5½/47	89.	94.	5.80
Canada Gypsum Lime & Alabastine 5½/48	70.	80.	7.60
Canada Northern Power Corp. 5/53	73.	85.	6.25
Canada Steamship Lines 1st & Gen. 6/41	40.	50.	...
C. P. R. Collateral Trust 5/54	92.	96.	5.30
C. P. R. Secured 4½/44 Notes	80.	85.	6.20
Chile Republic Ext. S. F. 6/60	23.	24.	...
Colombia Republic Ext. S. F. 6/61	31.	33.	...
Davies, Wm. 6/42	80.	90.	7.40
Dominion Canners 6/40	100.	104.	5.45
Dominion Square Corporation 6/48	60.	70.	9.00
Dominion Tar & Chemical 6/49	77.	83.	7.75
Dominion Textile 6/49	100.	105.	5.55
Duke Price Power 1st, 6/66	94.	98.	6.12
Eastern Dairies, Ltd., Conv. 6/49	90.	98.	6.20
Eaton, T. Realty 5/49	85.	90.	5.92
Famous Players 6/48	70.	80.	8.20
Federal Grain 6/49	60.	70.	9.10
Foreign Power Securities Corp. 6/49	70.	85.	7.55
Fraser Companies 6/50	30.	40.	...
Gatineau Power, 1st Mtge. 5/56	83.	87.	6.00
Gatineau Power, S. F. Debs., 6/41	70.	75.	9.50
General Steel Wares 6/52	35.	50.	...
Howard Smith Paper Mills 5½/53	54.	63.	9.00
Harris Abattoir 6/47	95.	100.	6.00
Manitoba Power, 1st S. F. 5½/51	70.	78.	7.43
Maple Leaf Milling 5½/49	75.	80.	7.55
Massey-Harris, 1st Mtge. 5/47	52.	63.	9.00
MacLaren Quebec Power 5½/61	80.	90.	6.25
Montreal Coke, 1st S. F. 5½/47	94.	99.	5.60
Montreal Island Power 5½/57	93.	96.	5.90
Montreal Light, Heat & Power 5/51	100.	103.	4.75
Montreal Tramways, 1st Coll. Trust 5/41	96.	100.	5.00
Montreal Tramways Gen. Ref. 4½/55	75.	85.	5.65
Montreal Tramways 5/55	83.	86.	6¼
Moodie, J. R. 6/48	95.	100.	6.00
Ogilvie Flour Mills 6/32	99.	101.	4.95
Ontario Power Service 5½/50	70.	75.	8.10
Ottawa Valley Power 5½/70	93.	98.	5.75
Power Corporation of Canada 4½/59	75.	80.	5.95
Price Bros., 1st S. F. Ser. "A" 6/43	70.	80.	8.70
Quebec Power 1st Mtge. Coll. S. F. 5/68	94.	97.	5.17
Shawinigan Water & Power 4½/70	89.	95.	4.80
Shawinigan Water & Power 5/70	97.	100.	5.00
Simpsons 6/49	80.	90.	7.00
Southern Canada Power 1st, 5/55	94.	102.	4.85
United Securities Coll. Trust 5½/52	88.	94.	6.00
West Kootenay Power 5/56	88.	94.	5.42
Windsor Hotel 6½/43	96.	100.	6.50
Windsor Hotel 6/47	88.	94.	6.60
Winnipeg Electric 5/35	94.	100.	[illegible]
Winnipeg Electric 6/54	65.	75.	[illegible]

Note re Unlisted Securities

Although The Financial Post strives to obtain the closest quotations possible on the unlisted stocks and bonds in the various tables on this page and the adjoining page, the quotations are not guaranteed and no responsibility is assumed in connection with them. In inactive markets, many quotations can be little more than nominal but it is felt that even a nominal quotation giving an idea of approximate price is better than none at all.

A.J.Pattison,Jr.&Co. LIMITED

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Dealers in Unlisted Bonds and Shares

159 Bay Street, (First Floor) Toronto Elgin: 5101 (TEN LINES)

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Formerly Hodgson Bros. & Dunton Limited
INVESTMENT SECURITIES
240 St. James St., Montreal

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C. P. ROBERTS, C.A.
Chartered Accountants
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SUGAR REFINERS HOLD ACTIVITIES AT GOOD LEVEL

Month Ended October 10 Showed Marginal Decline

From Our Own Correspondent

MONTREAL. — Operations of Canadian sugar refiners in the four weeks period ended October 10, were maintained at a marginally lower rate than in the same period in 1930. Total manufactures of sugar were 96,184,968 pounds, a decrease of some 254,000 pounds. Total sugar manufactured from the beginning of the year to October 10, however, was higher by 6,000,000 pounds, at 674,309, 039 pounds.

Domestic shipments in the four weeks period were lower by about 3,000,000 pounds at 87,601,213 pounds, though total domestic shipments from the beginning of the year were 710,730,414 pounds compared with 692,407,254 pounds in the same period in 1930. Total shipments in the 4 weeks period, which includes export, showed a drop of slightly over 3,000,000 pounds at 90,103,895 pounds, but from the beginning of the year total shipments were higher by 11,000,000 pounds at 722,161,838 pounds.

Stock on Hand Steady

Reflecting the maintenance of manufacturing operations and increased shipments, stock of refined sugar on hand has been well controlled, and at October 10, showed a decrease of nearly 1,000,000 pounds at 88,407,190 pounds, while stocks of raw sugar on hand were lower by 7,400,000 pounds at 67,093,529 pounds.

Imports of raw sugar in September, the latest figures available, were 71,618,900 pounds compared with 103,078,100 pounds in September, 1930. For the nine months ended September, 1931, raw sugar imports had decreased by 28,000,000 pounds to 611,626,900 pounds.

Refined Imports Reduced

On the other hand, imports of refined sugar have shown a marked drop this year, and for the first nine months totalled but 13,598,600 pounds as compared with 47,542,400 pounds in the same period in 1930. September imports were down by over 16,000,000 pounds at 3,659,300 pounds.

Exports of sugar continue on a lower scale, and for the nine months ended September, 1931, amounted to 9,921,300 pounds compared with 16,199,800 pounds in the same period in 1930.

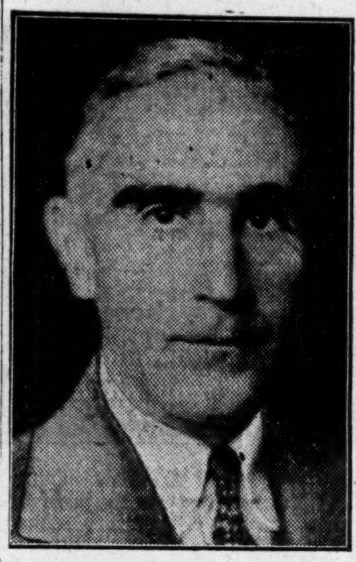
Wallace Sandstone Cuts Number of Employees

From Our Own Correspondent

MONTREAL.—Business conditions have necessitated some reduction in the number of employees working for Wallace Sandstone Quarries, a situation, it is stated, that has not occurred in the past two years. The company operates at Bedford, Que.

Earnings were lower in the year ended May 31, 1931, amounting to $77,096 compared with $107,308 in the previous year. Preferred dividends, however, were covered.

Appointed President



ARTHUR B. PURVIS
Newly elected president of Dunlop Tire & Rubber Goods Co., to succeed the Hon. E. B. Ryckman, who retired from that office in the company upon his appointment as Minister of National Revenue. Mr. Purvis is also president and managing director of Canadian Industries, Ltd., which has a very large interest in the Canadian Dunlop Co.

BROKERS PLAN PASSED UPON BY CREDITORS

Partners of McDougall and Cowans Can Re-establish

From Our Own Correspondent

MONTREAL. — Approval has been given by the creditors to the plan of reorganization as submitted by the partners of McDougall and Cowans, bankrupt firm of the Montreal Stock Exchange and other exchanges.

Prior to the meeting over 1,800 proxies had been received from some 2,500 creditors. This was about 72 per cent of the number of claims and was sufficient to secure the approval of the scheme, the Bankruptcy Act requiring approval of only 50 per cent of the creditors.

Plan Realization Firm

It will be recalled that the partners proposed a scheme whereby the assets of the bankrupt firms would be placed in a realization company. The partners, freed from the bankruptcy courts, would then be permitted to resume their business of stock brokerage under the old name. Profits of the new brokerage firm would be distributed on a basis of 60 per cent to the realization company and 40 per cent to the partners, the extent of the profit of the firm being determined by directors of the realization company elected by the creditors.

Pay in Installments

The first installment payable by the brokerage firm to the realization company is due on July 15, 1932, and the others are payable at intervals of six months thereafter, until such time as the entire obligation has been satisfied. After full claims of creditors with a bonus of 10 per cent has been paid, the remaining property will be transferred to the firm.

The new realization company will have a capital of 60,000 shares. Unsecured creditors will receive about 43,400 of these shares, which are of no par value. They will be issued in the ratio of one share for each $100 of debt or major fraction thereof. Shares will be issued only to creditors.

The total amount of the unsecured creditors' claims is $4,333,909.

No Definite Plans

It is stated that the partners of McDougall and Cowans have as yet made no decision in respect to reopening branch offices in Ottawa, Toronto, Winnipeg, Saint John, Quebec City and Halifax. The firm held four Montreal Stock Exchange membership seats and it is said that for the time being the business will be carried on with one or two seats.

Montreal Exhibition Had Difficult Year

From Our Own Correspondent

MONTREAL.—Earnings of Montreal Exhibition Co. in the fiscal year which ended October 31, 1931, are understood to have fallen below those of the previous year. The company operates the Montreal Stadium and Exhibition Building and the Montreal Baseball Club.

Attendance at the baseball games last summer fell below those of the previous year. Week-day patronage, it is reported, was higher but attendance at the week-ends was marred by poor weather and a substantial decline was noted.

The Exhibition Building was recently rented for the Made-In-Canada Show, an annual affair which provides an income of fair proportions. It is from baseball, however, that the company secures the greater part of its revenue and earnings from this source are largely dependent on weather conditions during the season.

Montreal Exhibition Co. does not publish a financial statement but figures released indicated a deficit of $3,672 in the fiscal year ended October 31, 1930. No disbursement has been made on the common stock which comprises 1,185,000 of class "A," par value $30, and 25,000 shares of class "B" stock.

Kingston Elevator Co. Reporting Good Business

From Our Own Correspondent

MONTREAL.—Reports from Kingston are to the effect that the Kingston Elevator Co., recently formed subsidiary of Canada Steamship Lines, is experiencing a good season. On Monday last 1,500,000 bushels were handled, five boats loading and three unloading. Though the movement that day did not establish a record day's operation at the elevator, it came close to it. Reports from the elevator indicate that the plant has been busy, working day and night for about the last two months.

Dominion Store Sales Continue to Increase

Sales of Dominion Stores Ltd. amounted to $1,866,800 in the four weeks ended October 24, an increase of $91.599 or 5.1 per cent over the $1,775,201 of sales in the corresponding period of 1930. Sales in the period were lower than in the four weeks of September when the volume of $2,043,598 was due in part to a special campaign.

Total sales during 1931 up to October 24 are reported at $20,965,817 as compared with $19,702,773 in the corresponding period of 1930. This represents an increase of $1,263,044 or 6.4 per cent. During the past year the company has considerably increased the number of stores operated.

because it has the ripe, full flavour of selected Burley leaf—always cool —always mellow—always fragrant.
—and don't forget, you get more tobacco for your money.
Picobac
"The Pick of Canada's Burley Tobacco"
GROWN IN SUNNY, SOUTHERN ONTARIO

Canadian Quotations—Cont'd

Foreign Exchange

	New York Funds High	New York Funds Low	Last Year High	Last Year Low
	(Premium)		(Discount)	
November 4	11 1-16	10 3-4	1-8	1-8
November 5	11 1-8	10 5-8	7-64	1-8
November 6	10 13-16	10 3-8	7-64	7-64
November 7	11	10 3-4	3-32	7-64
November 9	11 1-8	10 3-4	3-32	3-32
November 10	10 15-16	10 7-8	....	....

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
November 4	3.75	3.93 1-4	5.16 1-2
November 5	3.76	3.92 7-8	5.17
November 6	3.80	3.92 7-8	5.17
November 7	3.80 1-2	3.93 1-8	5.17
November 9	3.81 1-2	3.93 1-16	5.16 1-2
November 10	3.79 1-2	3.93	5.16 1-2

FOREIGN EXCHANGE

Par		Oct. 27	Nov. 3	Nov. 10
5.26	Italian	5.75¼	5.72	5.73¾
23.80	German	26.03½	26.30	26.77½
13.90	Belgian	15.55½	15.37	15.43
49.80	Japanese	54.79	54.39	54.50

Canadian Bonded Grain in U. S.

Quotations on New York Produce Exchange, Basis Buffalo
Week of November 10

High to date†	Low		Close Nov. 3	High for week	Low for week	Close Nov. 10
		Wheat				
.70½	.50¾	Dec.	.68½	.68½	.67	.67¾
.72	.70½	May	.70½	.72	.71	.71

†Since trading opened March 3.

Winnipeg Grain Prices

Week to November 10

Crop Year from Aug. 14 High	Low		Open Nov. 4	High for week	Low for week	Close Nov. 10
		Wheat				
.72½	.52½	Nov.	.67	.72½	.67	.67⅜
.72⅜	.51½	Dec.	.68	.72⅜	.66½	.67⅜
.76½	.55⅛	May	.71½	.76½	.70⅜	.71½
.77⅛	[illegible]	July	...	.77⅛	.72½	.72½
		Oats				
.36⅞	.32¼	Nov.	.35	.36⅛	.33⅞	.34
.36½	.25⅜	Dec.	.34½	.36½	.33⅜	.33⅞
.38	.28	May	.36	.38	.35⅜	.36
.37	[illegible]	July	...	.37	.37	.37
		Barley				
.44⅜	.36⅞	Nov.	...	.44⅜	.42½	.43½
.45½	.25⅜	Dec.	.42	.44⅞	.41⅜	.43½
.47½	.32½	May	.44	.47½	.43⅜	.45⅜
		Flax				
1.13	.99	Nov.	1.06½	1.13	1.05½	1.09
1.27	.92½	Dec.	1.06½	1.13	1.05½	1.08
1.21	.97½	May	1.12½	1.18⅜	1.10⅜	1.14
1.16½	1.15⅜	July	...	1.16½	1.15⅜	1.15⅜
		Rye				
.55½	.45⅜	Nov.	...	.55½	.48½	.52⅞
.56	.32½	Dec.	.45½	.56	.45½	.53
.59⅛	.32½	May	.48½	.59⅛	.48	.55¾
.59	.52	July	...	.59	.52	.56½

Mining Stock Quotations

Week Ending November 9

Par Val	Range 1931 High	Range 1931 Low	Company	Sales	Close Nov. 2 (or last)	High for week	Low for week	Close Nov. 9
1	.23	.02½	Abana	55,600	.04	.08	.04	.07
1	.03	.01	Aconda	1,000	.01½	.01½	.01½	.01½
1	.05½	.03½	Adrien	......	.04½	.....	.....	.....
No	.50	.12	Aldermac	......	.25	.....	.....	.....
1	.20½	.10	Alexandria	7,300	.10	.11½	.10	.11½
1	.05	.00½	Algonquin	33,000	.00½	.00½	.00½	.00½
1	.02½	.01	Amity C.	......	.01	.....	.....	.....
No	.45	.12	Amulet	27,126	.16	.29	.16	.25
1	.02½	.00½	Apex	5,000	.00½	.00½	.00½	.00½
1	.05	.01	Area	3,500	.01	.02	.01½	.02
1	.01	.00½	Argo. Cons.	......	.01	.....	.....	.....
No	.08½	.01½	Arno	63,500	.01½	.03½	.02	.03
1	.01½	.01	Astoria	......	.01	.....	.....	.....
1	.02	.00½	Atlas	......	.00½	.....	.....	.....
1	.07	.03	Bagamac	37,800	.05	.07	.04½	.06½
1	.02½	.01	Baldwin	500	.01	.01	.01	.01
1	.19½	.08	Barry Hollinger	58,600	.10	.12½	.10	.12
No	1.45	.75	Base Metals	10,010	.90	1.35	.80	1.35
No	.04	.00½	Bathurst	......	.03	.....	.....	.....
5s	1.75	.60	B'Wana	100	.75	1.00	1.00	1.00
1	.28	.26	Ben Nevis	......	.27	.....	.....	.....
No	.37½	.14	Bidgood	114,950	.14½	.22	.14½	.20
1	.50	.08	Big Missouri	32,480	.11	.23	.11	.23
1	.05½	.04½	Blue Quartz	......	.04½	.....	.....	.....
1	.12	.01½	Bobjo	6,000	.03½	.03½	.03	.03½
No	.01	.00½	Boischatel	......	.01	.....	.....	.....
1	.12	.01	Brett Trethewey	24,500	.08	.09	.08	.09
1	.03	.03	Brit. Canadian	......	.03	.....	.....	.....
No	.12	.02½	Brownlee	108,900	.03½	.04	.03½	.03½
1	.02	.00	Buckingham	......	.00½	.....	.....	.....
No	.27	.19	Buffalo Can.	4,000	.24	.23½	.23	.23½
No	.08½	.02	Bunker Hill	8,800	.03	.03½	.02½	.03
No	.03	.01	Cal. Flin Flon	......	.01	.....	.....	.....
1	.04	.01	Cambro Kirk	......	.04	.....	.....	.....
No	.05½	.02	Canam Metals	......	.02½	.....	.....	.....
1	.06½	.01	Can. Kirkland	38,300	.04	.04½	.03½	.04½
1	.02	.02	Can. Lorraine	......	.02	.....	.....	.....
1	.32½	.10	Canusa	43,200	.10	.19	.10	.16
1	.04½	.00½	Capital Rouyn	......	.01	.....	.....	.....
1	.29½	.15	Castle Trethewey	136,390	.20	.29½	.21	.29½
1	.23	.03	Cen. Manitoba	16,800	.08	.10	.07½	.10
1	.17	.05	Cen. Patricia	4,000	.05½	.06½	.05½	.06½
1	.03	.01½	Champion R.	......	.02½	.....	.....	.....
No	.59	.02	Chib. Prospect.	6,000	.07	.09½	.07	.09½
No	.08	.00½	Clericy	9,000	.02	.02	.01½	.01½
5	10.50	2.50	Coast Copper	3,710	[illegible]	5.75	2.75	5.40
1	.05½	.01½	Cobalt Contact	108,900	.02	.03½	.02	.03½
1	.02½	.00½	Col. Kirkland	......	.01½	.....	.....	.....
1	.39	.05	Columario	9,500	.08	.08½	.07½	.08
5	1.50	.50	Coniagas	......	1.25	.....	.....	.....
No	.62	.25	Coniaurum	......	.40	.....	.....	.....
25	188.25	64.00	Cons. Smelters	18,266	[illegible]	90.00	65.00	86.00
.	.35	.15	Cons. Venus	300	.32	.35	.34	.35
1	.01	.00½	Corona	......	.00½	.....	.....	.....
1	.02½	.00½	Crown Reserve	......	.01	.....	.....	.....
No	.21	.03	Dom. Exploration	166,100	.08	.12	.07½	.10
1	.03	.00½	Dom. Kirkland	......	.00½	.....	.....	.....
No	13.40	8.00	Dome Mines	6,370	10.20	10.65	10.25	10.40
1	.01	.00½	Don Rouyn	2,100	.01	.01	.01	.01
No	.33	.30	Donald Woolsey	......	.30	.....	.....	.....
1	.01	.00½	Dunkin	......	.00½	.....	.....	.....
1	.02½	.00½	Duprat	......	.01½	.....	.....	.....
1	1.68	.20	Eldorado	62,050	.87	1.25	.83	1.21
No	1.70	.99	Falconbridge	4,760	.99	1.60	.99	1.55
1	.08½	.02	Federal	500	.03½	.03½	.03½	.03½
No	.01½	.00½	Flintoba	52,500	.00½	.00½	.00½	.00½
No	.30	.06	Gem Lake	13,500	.07½	.09½	.07½	.08½
No	.04½	.01½	Gilbec	......	.02	.....	.....	.....
1	.08	.02½	Goldale	......	.02	.....	.....	.....
10	.25	.08	Goldfield	2,000	.12	.20	.14	.20
1	.01½	.00½	Gold Hill	......	.00½	.....	.....	.....
1	.11	.02½	Goodfish	3,500	.04½	.05	.05	.05
1	.04	.00½	Graham	......	.00½	.....	.....	.....
1	1.80	.15	Granada Gold	26,960	1.75	1.75	1.56	1.75
1	.14	.06	Grozelle	8,000	.13	.14	.13	.14
1	.03	.01	Harker	3,500	.01½	.01½	.01	.01½
.	.39	.31	Harvey Gold	100	.39	.35	.35	.35
1	.08½	.07½	Hayden	......	.08	.....	.....	.....
No	.30	.29	Halliwell	......	.28	.....	.....	.....
1	.05	.00½	Hilltop	94,500	.02½	.02½	.02½	.02½
5	8.70	[illegible]	Hollinger	9,226	6.05	6.50	6.00	6.30
1	.40	.20	Howey Gold	24,400	.33½	.39½	.34	.38
No	6.30	2.00	Hudson Bay	6,280	3.00	4.50	3.10	4.50
No	.40	.25	Huronian	37	.31	.25	.25	.25
No	20.50	8.12	Int. Nickel	58,094	10.40	14.50	10.25	13.87
1	.03	.00½	Jackson M.	23,100	.00½	.01½	.01	.01½
1	.35	.21	Keeley	12,410	.22	.35	.25	.35
1	.04½	.00½	Keora M.	5,000	.00½	.01	.01	.01
1	1.00	.27½	Kirk. Hud. Bay	2,500	.80	1.00	.90	.90
1	.03	.00½	Kirk. Hunton	12,500	.01½	.01½	.01½	.01½
1	.93	.51	Kirkland Lake	19,575	.54	.57	.51½	.55
1	.08	.01	Kirk. Premier	11,500	.02½	.02½	.02½	.02½
1	.25	.05½	Kirk. Townsite	19,400	.16½	.17½	.16	.16
20c	.02½	.00½	Koot. Florence	72,500	.00½	.01½	.00½	.01½
1	.02	.00½	La Rose	......	.00½	.....	.....	.....
1	.69	.38	Lakeland	......	.47½	.....	.....	.....
1	29.95	20.00	Lake Shore	3,280	27.00	29.50	28.00	29.25
1	.02	.00½	Laval	......	.00½	.....	.....	.....
1	.04	.01½	Lebe Oro	......	.03½	.....	.....	.....
No	.35	.35	Locarno	......	.35	.....	.....	.....
	.55	.10	Macassa	25,400	.43	.47	.39	.47
1	.12	.02	Malartic	3,500	.03	.03½	.03	.03
No	.15	.05	Mandy	5,500	.08	.07	.06	.07
No	.06	.01	Manitoba Basin	189,000	.01½	.02	.01	.01½
1	.55	.20	McKinley	......	.35	.....	.....	.....
5	26.50	13.95	McIntyre	5,330	18.65	21.50	19.00	20.75
No	.33	.06	McLeod River	298,300	.07½	.11	.07½	.11
1	.04	.04	McVittie	......	.04	.....	.....	.....
1	.29	.03	MacMillan	2,000	.03	.10	.06	.10
1	.01½	.00½	Millcrest	......	.01	.....	.....	.....
No	2.84	1.25	Mining Corp.	20,022	1.45	1.85	1.40	1.85
1	.34	.01	Moffatt Hall	165,700	.09½	.10½	.06½	.10
1	.04	.02½	Moneta	......	.03	.....	.....	.....
1	.00½	.00½	Mtl. Rouyn	......	.00½	.....	.....	.....
1	.63	.20	Moss	135,225	.39½	.43½	.39	.42
1	.09	.01	Murphy	27,000	.02	.02	.02	.02
No	.07½	.02	Newbec	7,100	.02	.05	.03	.05
1	.40	.25	Nevada	......	.25	.....	.....	.....
1	.09	.02	Night Hawk	......	.04	.....	.....	.....
5	1.90	.80	Nipissing	18,040	1.25	1.63	1.20	1.63
No	29.75	11.75	Noranda	45,792	16.00	19.00	15.90	18.90
1	.50	.25	Nor. Canada	200	.25	.30	.30	.30
No	.03	.00½	Old Colony	3,000	.00½	.01	.00½	.00½
1	.01	.00½	Ophir	500	.00½	.00½	.00½	.00½
1	.10½	.02½	Oriole	......	.03	.....	.....	.....
1	.21	.07	Osisko	1,500	.08	.09	.08	.09
1	.25	.23	Parkhill	......	.23	.....	.....	.....
1	.15	.07	Patricia Dent	500	.07	.10	.10	.10
1	.05	.01½	Pawnee Kirk	1,000	.02½	.02½	.02½	.02½
No	1.61	.60	Pend Oreille	9,910	.90	1.25	.94	1.21
1	.04½	.00½	Pete. Cobalt	13,500	.01	.02½	.01½	.02½
.	.25	.18½	Phoenix Molybd.	......	.25	.....	.....	.....
1	.01½	.00½	Picard	......	.00½	.....	.....	.....
1	.12	.05	Pioneer Mines	......	.05	.....	.....	.....
1	.02½	.00½	Porc. Crown	......	.00½	.....	.....	.....
1	.02	.00½	Potter Doal	......	.00½	.....	.....	.....
1	.45	.30	Powell Rouyn	......	.30	.....	.....	.....
1	.99	.40	Premier Gold	28,550	.59	.80	.55	.80
1	.02½	.00½	Preston E. Dome	......	.01	.....	.....	.....
No	.25	.07	Quemont	......	.08	.....	.....	.....
1	.06	.00½	Ribago	47,300	.04½	.04½	.03½	.04
1	.34	.24	Rich Rock	......	.33	.....	.....	.....
1	.15	.01½	Ritchie	33,500	.02½	.03	.02½	.03
1	.04	.00½	Robb Montbray	1,400	.01	.01	.01	.01
1	.05	.04	Rubec	......	.04	.....	.....	.....
No	.40	.25	San Antonio	7,500	.35	.40	.40	.40
1	.21	.10	Seven Troughs	......	.10	.....	.....	.....
1	1.25	.40	Sherritt Gordon	48,760	.54	.99	.54	.95
1	.71	.36	Siscoe	47,995	.65	.67	.64½	.66½
1	.18	.02	South Keora	1,000	.02	.04	.03	.04
No	.05	.01	Stadacona	30,000	.01½	.01½	.01½	.01½
1	.20	.03½	St. Anthony	500	.07½	.07	.07	.07
No	.82	.35	Sudbury Basin	20,950	.40	.72	.35	.72

Par Val	Range 1931 High	Range 1931 Low	Company	Sales	Close Nov. 2 (or last)	High for week	Low for week	Close Nov. 9
1	.03	.01	Sud. Contact	......	.01½	.....	.....	.....
1	.03½	.00½	Sudbury Mines	7,000	.00½	.00½	.00½	.00½
No	.04½	.01	Sudbury Nickel	......	.03	.....	.....	.....
1	.19	.07	Sullivan	3,200	.10	.07	.07	.07
1	1.14	.48	Sylvanite	22,825	.67	.68	.64½	.67
1	.20½	.04	Tashota	14,700	.10½	.12	.10	.11
1	8.65	4.65	Teck Hughes	21,659	5.75	6.15	5.70	6.00
1	.10½	.01	Telluride	......	.01	.....	.....	.....
1	.01½	.01	Temiskaming	......	.01	.....	.....	.....
1	.06½	.02½	Thom. Cadillac	......	.03½	.....	.....	.....
1	.02½	.00½	Tough Oakes	......	.01	.....	.....	.....
1	.63	.17	Towagmac	3,120	.22	.40	.22	.35
No	2.65	.95	Treadwell	1,025	1.25	1.60	.95	1.60
No	2.85	2.40	Tri-Metals	......	1.85	.....	.....	.....
1	.15	.04½	United Kirkland	......	.09	.....	.....	.....
1	.03	.01½	Vacuum Gas	......	.02	.....	.....	.....
No	.86	.35½	Ventures	149,005	.48	.65	.47	.64
1	.19	.01½	Vickers	7,700	.18	.19	.17	.17
1	1.22	.50	Vipond	23,650	.55	.63	.53	.63
No	2.00	.90	Waite Ackerman	4,425	1.00	1.40	1.00	1.25
1	.02½	.01	West Tree	......	.01	.....	.....	.....
1	.27	.03½	White Lake	2,500	.05	.05½	.04½	.04½
1	.06	.02	Wiltsey	......	.02	.....	.....	.....
No	.01½	.00½	Windfall Rain	......	.01	.....	.....	.....
.	.13	.03½	Wood Kirkland	......	.04	.....	.....	.....
No	3.25	1.85	Wright-Har.	17,330	2.94	3.00	2.92	2.99
			WESTERN OIL STOCKS					
1	.30	.12	Acme	33,300	.16½	.19	.16½	.18½
1	.37½	.05	Alta. Pacific	3,600	.07½	.14	.08	.14
1	.08	.07	Amalgamated	......	.08	.....	.....	.....
No	.25	.04	Associated	18,925	.04½	.10½	.04	.10
1	1.89	1.00	Ajax	26,660	1.11	1.21	1.11	1.14
No	.12	.02	Baltac	......	.04	.....	.....	.....
1	.07	.02	Black Diamond	......	.02	.....	.....	.....
1	.35	.05	Brit. Dominion	200	.07	.07	.07	.07
1	.32	.03	Calmont	3,450	.04	.10	.05	.10
No	.82	.20	Calgary & Ed.	600	.31½	.50	.38	.50
1	.47	.06	Comm. Pete.	1,500	.08	.10	.09	.10
No	.29½	.26½	Crudome	......	.28½	.....	.....	.....
No	.60	.12	Dalhousie	1,725	.14	.23	.19	.22½
No	.08	.01½	Devenish	......	.01½	.....	.....	.....
No	.12	.01½	Dome Oil	......	.02	.....	.....	.....
No	.69	.05	East Crest	9,700	.09	.18	.11	.17
1	.05	.00½	Fabyan Pete.	......	.00½	.....	.....	.....
No	.60	.05	Foothills	1,100	.15	.06	.05	.06
No	.18½	.02	Freehold	2,650	.02	.05	.04	.05
1	.02	.00½	Great West	......	.00½	.....	.....	.....
No	.17	.03	Hargal	......	.03	.....	.....	.....
No	.10	.03	Herron Pete	......	.03½	.....	.....	.....
No	.07½	.02	High Sarcee	1,500	.03½	.05½	.04½	.05½
No	2.00	.30	Home	3,175	.40	.45	.39	.55
No	.22	.00½	Homestead	1,900	.03	.04	.04	.04
1	1.70	.35	Homest'd O. & G.	10,425	.35	.55	.40	.55
1	.08½	.01	Ill. Alberta	18,525	.00½	.01	.00½	.01
No	.70	.10½	Lowery	......	.18	.....	.....	.....
1	.05	.00½	Madison	13,000	.01	.02	.01	.02
1	.85	.12	Mayland	2,338	.15	.17	.15	.17
No	.11	.00½	McD. Segur Ex.	4,650	.03	.05	.03½	.05
1	.29	.01½	McD. Segur N.	......	.02	.....	.....	.....
1	.72½	.25	McLeod	200	.30	.40	.35	.40
No	.39	.07½	Mercury	26,100	.08½	.13	.09½	.12½
No	.20	.04	Merland	......	.04	.....	.....	.....
No	.38	.08	Mill City Pete.	600	.09	.11	.10	.11
1	.49	.11	Model	......	.13	.....	.....	.....
1	.18	.02	Monalta	......	.07	.....	.....	.....
1	.31	.05	Moose Mountain	2,500	.07	.10	.05	.05
1	.04	.00½	New Federal	......	.01	.....	.....	.....
No	.56	.13	Nordon	229,500	.17½	.23	.15	.23
No	.11	.02	Oil Selection	13,500	.05	.05	.04½	.04½
No	.28	.03	Okalta	......	.03½	.....	.....	.....
100	27.00	8.00	Do., Pref.	......	.00	.....	.....	.....
No	.22	.05	Olga Gas & Oil	14,800	.14	.17	.12	.17
1	.37½	.13	Petrol	7,100	.26	.26	.20	.20
No	.28	.01	Penn. Pete.	57,000	.02	.03½	.01½	.03
No	.25	.07	Ranchmen's	1,100	.13	.14	.13	.13
1	.05	.01½	Regent	......	.02	.....	.....	.....
No	.13	.01½	Richfield	300	.01½	.02	.02	.02
No	17.75	5.00	Royalite	275	6.00	9.00	5.00	8.75
1	.82	.20	Sarnia Oil	2,500	.22½	.30	.20	.20
1	.06½	.01	Signal Hill	6,600	.03	.04½	.03	.04½
No	.27	.10	Southwest Pete.	1,300	.10	.10	.10	.10
No	.60	.12	Spooner	450	.12½	.13½	.13½	.13½
No	.19	.04½	Sterling Pac.	1,000	.05	.06	.05	.06
.	.15	.15	Turner Basin	......	.15	.....	.....	.....
1	.16	.05	Turner Valley	......	.05	.....	.....	.....
No	.31	.05	United	[illegible],130	.06	.10	.07	.10
1	.15½	.05	Vulcan	100	.07	.09	.09	.09
No	.05	.00½	Wainwell	1,800	.00½	.01	.00½	.01
1	.28	.08	Waite Valley	......	.08½	.....	.....	.....
			VANCOUVER STOCK EXCHANGE (Transaction for Week to November 4)					
25c	.01	.00½	Bayview	......	.00½	.....	.....	.....
20c	.07	.01	Beaver Silver	2,000	.03	.02½	.02	.02½
25c	.02½	.00½	Bluebird	......	.01½	.....	.....	.....
25c	.70	.40	B. C. Silver	......	.40	.....	.....	.....
25c	.02	.00½	Cork Province	......	.01	.....	.....	.....
1	.29	.06	Cotton Belt	8,900	.10	.10	.06	.10
1	.04	.02	Dunwell	......	.02	.....	.....	.....
1	.10	.02	Duthie	......	.02	.....	.....	.....
1	.90	.39	George Copper	......	.40	.....	.....	.....
50c	.05	.01	Geo. Enterprise	......	.02	.....	.....	.....
1	.05	.01½	Georgia River	14,500	.03	.03	.03	.03
50c	.02½	.02½	Glacier	......	.02½	.....	.....	.....
10c	.01	.01	Gladstone	......	.01	.....	.....	.....
1	.45	.17	Golconda	1,000	.20	.17	.17	.17
50c	.07½	.03	Grandview	2,200	.04	.07	.06	.07
No	27.50	17.00	Howe Sound	......	21.25	.....	.....	.....
1	.17½	.09	Intern. Coal	......	.09	.....	.....	.....
1	.01½	.01	Independence	......	.01	.....	.....	.....
1	.02	.01	Indian Mines	......	.01	.....	.....	.....
1	.43	.22	Jack Waite	......	.22	.....	.....	.....
25c	.02	.00½	Kootenay King	......	.00½	.....	.....	.....
25c	.00½	.00½	Lakeview	......	.00½	.....	.....	.....
25c	.02	.00½	L. & L.	......	.02	.....	.....	.....
1	.12	.12	Los Ang. Van.	......	.12	.....	.....	.....
1	.12½	.06	Lorne Gold	17,400	.08	.09	.08	.09
10c	.03½	.01½	Lucky Jim	......	.01½	.....	.....	.....
2.50	.01	.00½	Marmot Gold	......	.10	.....	.....	.....
50c	.01	.00½	Marmot Metals	......	.00½	.....	.....	.....
25c	.00½	.00½	Mohawk	......	.00½	.....	.....	.....
1	.25	.14	Montana Mines	......	.17	.....	.....	.....
1	.05	.01	Morton Woosley	......	.02½	.....	.....	.....
50c	.03½	.01	National Silver	15,000	.01½	.01½	.01½	.01½
50c	.09½	.03	Noble Five	5,000	.04½	.03½	.03½	.03½
50c	.12½	.02	Oregon Copper	4,000	.02	.02	.02	.02
1	2.70	1.23	Pioneer Gold, B.C.	6,870	2.50	2.65	2.50	2.65
No	.02	.00½	Premier Border	2,000	.00½	.00½	.00½	.00½
50c	.09	.03	Porter Idaho	3,000	.07½	.06½	.06	.06
No	.55	.20	Reeves McDonald	800	.20	.30	.22	.30
1	.28	.11	Reno Gold	10,100	.15	.17	.12	.12
1	.04	.01½	Rufus Argenta	......	.01½	.....	.....	.....
1	.07	.02	Ruth Hope	......	.04	.....	.....	.....
1	.05½	.04	Silverado	......	.05½	.....	.....	.....
25c	.03	.00½	Silver Crest	......	.00½	.....	.....	.....
50c	.05	.00½	Snowflake	......	.02	.....	.....	.....
1	.45	.25	Sunloch	......	.25	.....	.....	.....
50c	.02½	.01	Topley Rich	......	.02	.....	.....	.....
5	.20	.05	Toric	......	.05	.....	.....	.....
20c	.01	.00½	Wellington	......	.01	.....	.....	.....
1	.05	.02	Whitewater	......	.03	.....	.....	.....
No	.03½	.00½	Woodbine	1,000	.01	.00½	.00½	.00½

DIVIDEND PAYERS

	Rate	Yield		Rate	Yield
Cons. Smelters	$2.50+a	2.90	Premier	12c.	....
Dome Mines	$1	9.61	Pioneer, B.C.	12c.	4.52
Granby	$1	....	Royalite	50c	....
Hollinger	65c.+5	11.11	Spooner Oils	6c.	....
Howe Sound	$2	....	Sylvanite	4c.	....
Inter. Nickel	40c.	2.88	Teck Hughes	60c.+5	10.83
Lake Shore	$2+50c.	8.54	United Oils	5c.	....
McIntyre	$1	4.81	Wellington Oil	5c.	....
Mercury Oil	5c.	....	Wright-Har.	10+2½c.	4.18

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Canadian Mining News

SILVER ADVANCES TO HIGHER LEVEL INDIA NOW BUYER

Prices Are at New High Levels for the Year

The spectacular advance of silver this past week was a feature of the metal market. Future deliveries sold as high as 40 cents per ounce, but a slight recession was the inevitable result of the sharp advance and prices are off with possibilities of lower prices temporarily. The closing price on Tuesday for spot silver was 37¼ cents per ounce in New York.

The advance of silver was the cue for activity in the shares of the silver mines, most of which registered gains. Canada has lost its former position as a great silver producer from mines producing primarily silver. Most of the famous old producers are about worked out, with production now coming mainly from a clean up of the small high-grade shoots. For the most part it is now recovered as a by-product from association with other metals.

India a Buyer

There is a suspicion in bullion circles that since the New York market has been consistently higher than any other world market, a good deal of the silver has been bought in Europe, India and other far east countries, particularly by the Indian bazaars. The suspension of the gold standard in England last September has removed the necessity for India to support the rupee in London by means of gold or sterling. Because in recent years India has acquired sterling by sales of some of the government silver hoard, it follows that India for the time being is able to stop selling, but there is no guarantee that India will not resume such sales.

The statistical position of silver has improved during the present year and production last year, estimated at 243,700,000 ounces, is expected to decline for the current year by about 25 per cent.

The production of silver, however, has not been the dominating factor in the reduction of its price. It has been affected more by the sale of silver by the eastern countries, particularly India, and as much by the threat of sales as by actual ones.

The immediate effect as far as Canadia nproducers is concerned is to permit operations, that have been carried on in past months at a loss, to become profitable or at least to meet expenses.

Nipissing Mines, which has produced more silver than any other mine in Canada, had a net cost of 36.13 cents per ounce in 1930. This company, together with Mining Corporation, Keeley and O'Brien Mines are the only straight silver producers left in the Dominion. At the present time, Consolidated Mining & Smelting Company is Canada's largest silver producer, but this production comes from the silver associated with zinc and lead production and is regarded as a by-product.

A total silver production for the eight months ended August 31, last, in Canada was 50,324,178 ounces, as compared with 70,800,531 ounces, in 1930.

OLGA'S NO. 3 WELL HAS BIG GAS FLOW

After Swabbing, Indicated Flow is Three Million Cu. Ft. Daily

Olga Gas & Oil Co., drilling in Raleigh township, southwestern Ontario, is meeting with success according to latest reports, its No. 3 well having an indicated production of close to 3,000,000 cu. ft. of gas daily, with oil spraying over the derrick.

The company drilled three wells in the area this past summer. No. 1 came in with an indicated flow of approximately 700,000 cu. ft. but No. 2 well, adjacent to No. 1, proved to be a dry hole. No. 3 well has just been completed to a depth of 1,800 ft. and indications point to it being one of the best wells drilled in the area. This well has now been swabbed out and plans are being made to start another well near by.

These wells are not yet connected to the pipe line and no production is being taken. The pipe line to be laid to connect these wells has been deferred until such time as more definite knowledge is available as to the joint capacity of the wells, and the length of line required.

The Union Natural Gas Co. has agreed to take a definite production at a price of 25 cents per 1,000 cu. ft.

BUILDING STONE SUBJECT OF STUDY

Geological Survey Reports on Rocks of Georgian Bay Area

Many of the granitic rocks in the vicinity of Collins Inlet on the north shore of Georgian Bay are not only suitable but are desirable for building purposes, according to the Geological Survey, Department of Mines, Ottawa.

This information comes through Dr. T. T. Quirke, who has been engaged in mapping and investigating this region.

Dr. Quirke also advises that an examination is being made of the Orrville marble deposits about 20 miles east of Parry Sound, as a possible source of calcite for road materials and agricultural purposes. This report on the economic resources of the region is regarded as gratifying in view of the fact that the district has generally been overlooked as a commercial mineral field.

Index of Prices of Mining Stocks

The weighted index number of twenty mining stocks computed by the Dominion Bureau of Statistics on the base 1926=100, was 63.0 for the week ending November 5, which was exactly the same for the preceding week.

Eleven gold stocks fell from 63.9 to 63.5, four gold-copper stocks rose from 63.5 to 64.4, and five silver and miscellaneous stocks from 28.4 to 30.5.

Better Business Bureau Hits Out at "Old Guard'

Capitalizing the favorable market trend of the gold stocks, high pressure promoters are doing their best to take advantage of a public that has become gold-conscious.

The Better Business Bureau of Montreal has issued a timely bulletin on the subject of gold and the promoters' activities as follows:

"Promoters are quick to follow the shifts in public opinion and the latest enthusiasm in regard to new enterprises. They fashion their propositions to suit the public taste—be it movie picture studios, real estate, oil wells, and in times of rising commodity prices, in copper mines, and so on.

"Gold is a staple commodity and newspapers all over the world have had more to say about gold than ever before. The majority of the public do not know what it is all about, nevertheless an interest has been created and that interest is now about to be capitalized.

"The mines of yesterday, the disregarded, the bankrupt, unsuccessful, are about to be trotted out before the public again. They will be renamed, re-dressed, and with new directors—but in many of them will be found the old guard of promoters.

"In the hundreds of mining promotions which discouraged the gullible public a few years ago, it was not so much the nature of the properties which brought about losses of enormous sums of public money, as the inexperience of the principals of the company and their failure to display any initiative, energy or conscientious effort in anything but selling stock.

"Unless history is to repeat itself, it will be necessary to examine each new promotion very carefully and pay particular attention to the quality and history, not only of the property, but of those individuals who are the directors and those who are known to be advising them."

Clean-up Not Ended

From the lurid literature that is being circulated by many high pressure promoters today, principally sponsoring gold prospects, it is evident that the clean-up in the brokerage circles that ended with sentences at Portsmouth penitentiary has not removed all the evils with which the unsuspecting investor is faced. Copper prospects that were promoted in the heyday of high copper prices are now being brought forth as gold prospects. Gold prospects that have been dormant for years have been re-awakened and are being offered to the public by promoters who realize that the public is prone to forget. In their enthusiasm for the promotion of these gold prospects, some of the old guard have neglected to comply with the statutory requirements of the government. In consequence, administrators of the Frauds Prevention Act, and the Better Business Bureaus, have found ample reason to take action.

Standard Exchange Watchful

The Standard Stock & Mining Exchange of Toronto, the principal mining exchange on the continent, has had a watchful eye on the new developments and has already taken the necessary steps to delist stocks whose sponsors are using questionable methods.

An example of how an exchange can be made the innocent partner of an unscrupulous promoter is exemplified in a case that came before the Standard Stock & Mining Exchange. The promoter in question fulfilled the listing requirements in the minutest detail, requirements such as are demanded by the leading exchanges.

It was not the intention of the promoter to list the shares of his company in order to facilitate legitimate trading, but rather that he could make a tool of the exchange to assist in his selling campaign. By means of wash sales he established and held a market for the shares around a certain figure. Then with the aid of high pressure salesmen he subjected the public to propaganda, being assisted by the fact that the shares were listed and that his offering was below the market price. The quotations by the exchange did not represent values established by demand and any odd shares that came on the market, the promoter was obliged to absorb in order to hold his market.

In one case the listing committee of the Standard Exchange made an exhaustive effort to trace the selling and establish whether the sales were wash sales or legitimate trading, but in each case the buying and selling orders were so screened that tracing was nearly impossible.

Promoters Checked

Definite action was taken by the listing committee in this case because a block of stock was suddenly thrown on the market from an unsuspected source, and these shares the promoters would not accept, claiming that they were not free stock. The promoters were summoned to the presence of the listing committee and their inability to give a satisfactory explanation resulted in the prompt delisting of the shares.

Now that Canada's gold production has risen to unprecedented heights as far as the Dominion is concerned, the danger is that parasites of mining will discredit what legitimate enterprise seeks to foster. The leading brokers are lending their support to curb parasitical enterprises as they realize that every dollar gained by the unscrupulous promoter is one dollar removed from legitimate mining effort. Exchange officials, brokers, Better Business Bureaus and administrators of Frauds Prevention Acts, realize that the development of mining properties is itself hazardous enough without the risk being increased through the activities of promoters who have no real interest in mining.

Properties must continue to be financed that their potentialities may be proved. Legitimate effort toward this end will continue to be encouraged but it is felt that the professional parasite should be eliminated.

Ottawa Inaugurates New Minerals Report

The Dominion Bureau of Statistics has inaugurated a new policy of sending out special bulletins on the principal metals and minerals mined in the Dominion prior to its complete report.

In the following tabulation 16 of the more important minerals are listed with comparative figures for previous periods, which makes for more intelligent comparison.

Gold, petroleum and zinc are the only items that show an increase over a similar period last year.

Production of Leading Minerals in Canada

		July 1931	August 1931	8 months ending August 1930	8 months ending August 1931
Asbestos	tons	13,597	13,079	158,214	102,821
Cement	brls.	1,102,747	1,109,977	7,287,323	6,600,137
Clay products	$	919,005	885,244	6,926,629	5,955,192
Coal	tons	826,156	760,127	9,334,910	7,477,871
Copper	lb.	23,676,241	27,159,496	210,045,750	200,112,778
Feldspar	tons	2,105	2,160	17,112	10,492
Gold	fine oz.	223,734	225,630	1,319,466	1,722,667
Gypsum	tons	130,482	123,790	713,021	547,403
Lead	lb.	21,867,649	21,148,583	223,963,369	189,442,047
Lime	tons	31,723	29,010	336,806	248,463
Natural gas	M. cu. ft.	1,458,814	1,299,165	19,305,724	17,730,321
Nickel	lb.	5,309,456	4,432,598	73,581,289	50,432,616
Petroleum	brls.	119,327	103,314	878,316	1,176,742
Salt	tons	17,424	14,352	188,547	105,719
Silver	fine oz.	2,069,171	1,553,287	17,080,531	15,324,178
Zinc	lb.	20,831,627	19,198,013	169,543,278	173,709,416

GEM LAKE MINES INSTALLS MILL TO MAKE TESTS

Low Levels Give Good Values in Gold Over Length

Gem Lake Mines is installing a ten ton test mill to sample its ore before deciding on its contemplated milling programme, C. S. Morrow, vice-president of the company, told The Financial Post this week.

The building to house the test mill is erected and the equipment is being installed. Production is expected to start at an early date on the high-grade ore, which will provide the treasury with sufficient funds to carry out its deep development programme, it is hoped.

This summer the shaft was deepened to the 750 ft. horizon where drifting has encountered the same rich vein developed on the 625 ft. horizon. About 50 ft. of ore has been proven up on this low level with the face of drift still in ore. On the 625 ft. level about 200 ft. of ore averaging $20 per ton has been developed. It is also proposed to crosscut on this level to pick up the No. 2 vein found on the upper levels.

The test mill is to be operated until about the first of February when sufficient knowledge will be at hand for the officials to reach a decision as to the size of a mill. At present a mill of from 100 to 150 tons daily capacity is being considered. Funds to carry out the development programme have been slow to come in and officials believe that the operation of the test mill will provide sufficient funds for immediate requirements.

New Bobjo Secretary

Maurice Crabtree, of the legal firm of Parker & Crabtree, Toronto, has been appointed secretary-treasurer of Bobjo Mines.

Mr. Crabtree succeeded James Parker upon the latter's elevation to the bench.

BagamacRouyn Stock is Active After Long Rest

Shares of Bagamac Rouyn Mines have become active on the market after a period of quiescence for many months. On Monday last 20,000 shares changed hands at from 6 to 7 cents a share.

Prior to the last two weeks, less than 20,000 shares had been sold on the Standard Stock and Mining Exchange throughout the entire year. The activity in the stock is explained in part by the appearance of an anonymous advertisement calling attention to the property as a penny stock investment that had a chance of getting into the dollar class.

The holdings of the company consist of mineral rights on 517 acres on and beneath the townsite of Rouyn, Quebec, adjoining the Noranada Mines on the south. Location is favorable but very little work has been done on the property as yet, though sections gave interesting assays in gold, following surface exploration.

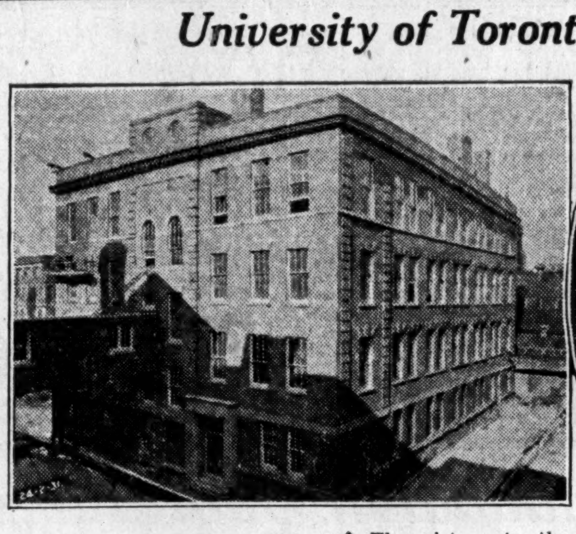
The company has an authorized capitalization of $4,000,000 in $1 par value shares, of which $2,250,006 is outstanding. Some of the directors hold large blocks of stock.

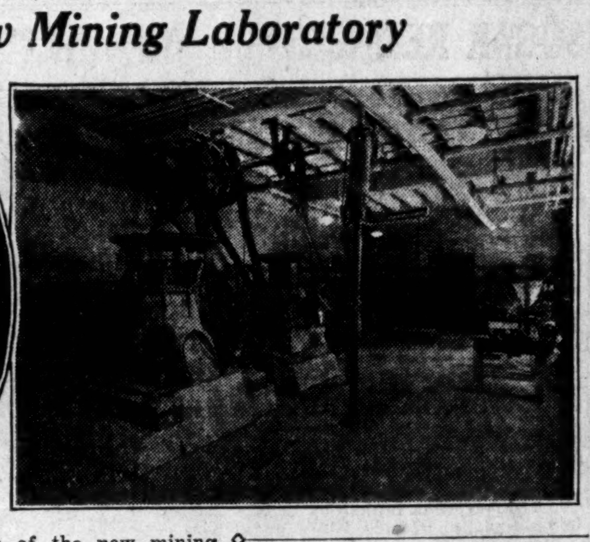
Realty and Mines, Ltd., which was sponsored by J. J. Carrick, Toronto, owns a large block of Bagamac stock.

Metal Prices

New York—November 10—
Copper: Electrolytic spot, 7c. lb.
London—November 10—
Copper: Electrolytic spot, £43 10s; future, £44 10s. Standard spot, £39; future, £39 12s 6d.
Tin: Spot, £132 5s; future, £136 5s.
Lead: Spot, £15 2s 6d; future, £15 2s 6d.
Zinc: Spot, £14 2s 6d; future, £14 12s 6d.
Silver: 21-9/16d. per ounce.

University of Toronto Opens New Mining Laboratory





The picture to the left shows the exterior of the new mining laboratory built on the site of the old Mill building. To the right is an interior view of the basement where the heavy laboratory equipment is located. The facilities provided within the new building are pronounced as the finest and most complete of any school of mines on the continent. In the centre is a picture of Professor H. E. T. Haultain, head of the mining department.

OTTAWA ISSUES MAPS COVERING OIL STRUCTURES

Alberta Areas Covered in Thorough Manner By Geol. Survey Maps

A series of maps illustrating the Highwood-Jumpingpound anticline in Southwestern Alberta have just been issued by the Geological Survey, Department of Mines, Ottawa. The maps take in an area beginning south of the Highwood River and extending northward through the Highwood, Waite Valley, Fisher Creek and Two Pine structures.

A map shows the anticline on Highwood River to be comparatively broad, a fact which may have been responsible for only shows of oil in the parts of the structure so far drilled. Another map shows Waite Valley, which is a relatively low structural area as compared with the Highwood to the south and the Fisher Creek to the north. Such wells as were drilled gave disappointing results and at present the structure cannot be regarded as favorable.

In the Fisher Creek area where high structural conditions exist, the only well that is being drilled in this area has already given three small shows of oil and drilling is proceeding. This well is regarded as a highly important test in that the shows of oil already obtained in horizons not expected to be productive have given rise to hopes for ultimate oil production when the prospective favorable horizons are reached. In addition it would seem likely from strata so far drilled, that the limestone, which is productive in Turner Valley, can be reached in this area at a depth of less than 3,000 feet.

The Signal Hill well is being drilled on the west flank of the Two Pine structure and encouraging shows of oil have been obtained. During the past summer detailed work was done in this area and the data obtained are now under critical examination by Dr. G. S. Hume, petroleum geologist of the department. The Fisher Creek and Two Pine areas between the Highwood and Bow Rivers are at present regarded as having the most favorable structural conditions for the accumulation of oil in the eastern foothills region.

The series of maps may be obtained by application to the director, Geological Survey, Department of Mines, Ottawa.

Granada Gold Lets Contract For Drilling

Granada Gold Mines has let a contract for about 12,000 ft. of diamond drilling, The Financial Post is officially informed, one drill to operate from the underground working and another to prospect from the surface in the vicinity of a new ore zone.

At the present time 10 or 12 men are engaged in surface trenching in a new area and this work is to be followed up with diamond drilling.

The foundations have been completed for the new compressor equipment and upon the installation of this machinery and the new electrical motive power additions are planned that will increase the mill to 200 tons daily capacity from the present capacity or around 75 tons.

Application has been made for listing the shares of the company on the New York Curb exchange.

Leroy Mines Is Equipping To Start Shaft

An official report to shareholders of LeRoy Mines developing a gold prospect in Louvicourt township, northwestern Quebec, says a mining plant has been installed capable of sinking to 1,000 ft. and that shaft-sinking operations are to start at once.

The mineralization is a fine iron pyrite with a small amount of chalcopyrite carrying gold values. Stripping over a distance of 500 ft. has disclosed many high grade sections, which show visible gold and trenching 300 ft. farther west located the vein in lower ground. The vein outcrops 175 ft. north of the proposed shaft with indications pointing to a dip of 70 degrees to the south. The two-compartment shaft is to be sunk to 125 ft. depth where a crosscut will be run to the vein, after which sinking will be continued to the 250 ft. horizon where more lateral work will be done.

Prairie Cities Oil Meeting to Be Held

Shareholders of Prairie Cities Oil Co. have been notified that the annual meeting of the company will be held in Toronto on November 19. Class "A" shareholders of the company are now entitled to elect a majority of the directors since dividends on this stock are in arrears since August 1, 1930. Otherwise the Class "A" shares are non-voting.

The annual statement of the company for the year ended December 31, 1930, has not as yet been made public. The company distributes petroleum products both wholesale and retail in the three prairie provinces.

University of Toronto Opens Mining Laboratory

Official Opening of New Building an Occasion For Festive Gathering By Mining Fraternity

The University of Toronto was host on November 7 to the mining fraternity on the occasion of the official opening of the new laboratories of the Department of Mines.

Sir Robert Falconer, retiring president of the University, presided at the festive gathering, and traced the history of the mining department from its elementary beginning to the position it enjoys today with facilities that place it among the best equipped schools in the world, in mining engineering. This success, he said, was due to the indefatigable effort of Professor H. E. T. Haultain, who, as head of the department of mines, had won for himself the affection and the support of the personnel of the mining industry.

Hon. Chas. McCrea, minister of mines of Ontario, spoke at length on growth of the mining activities since the commencement of the mining course at the university, and told how, less than a year ago, it had been his privilege to lay the corner stone for the new laboratory.

Government Furnishes Funds

Early last year the new building was assured when the Ontario Government presented the university with $232,000. To this have been added donations by sympathetic members of the mining fraternity, as well as valuable equipment by manufacturers of mining machinery.

The building was constructed in part on the site of the former mill building, to house the laboratories of the department of mining engineering and is connected with the main mining building by an enclosed overhead bridge. It is of Georgian architecture, built of red brick with brown stone trimming, having steel construction with reinforced concrete floors. It measures 76 ft. by 106 ft., has four stories and basement with provision made for the addition of another story.

On the basement floor are the heavy machinery and storage bins for ore. The second floor will be devoted to magnetic concentration, flotation, cyaniding, with separate rooms for apparatus serving these, a furnace, chemical, screening and balance rooms. The third floor will house the library, study rooms service assay and assay research rooms, together with rooms for the staff, for research and for exhibits. The fourth floor is given up to assaying. In various parts of the building are storerooms, a machine shop, and a photographic dark room. The whole interior appearance impresses one by its well planned and systematic arrangement, with room provided for new apparatus which is to be added gradually.

Course Started in 1878

The nucleus of the present department of mining engineering was established with the inauguration of the School of Practical Science in 1878, which included a course in assaying and geology. In 1888 mining was added to the course in civil engineering. In 1892 mining became a separate course, but it was not until 1896 that a mining laboratory was established with a few pieces of fundamental heavy machinery. During 1904 a building known as the mill building was added to the laboratories, and this has now been superseded by the fine new laboratories just opened. In this manner have the facilities of the university grown to keep pace with the expansion of mining in the province.

Professor Haultain Reticent

To Professor H. E. T. Haultain, who has been the head of the mining department since 1908 and the inspiration of hundreds of students, go the plaudits of mining men throughout the Dominion for the untiring and retiring manner in which he has conducted the department. Professor Haultain joined the university in 1908 after a wide experience in South Africa, Bohemia, Ireland, United States and various parts of Canada.

He graduated from the School of Practical Science and later attended the School of Electrical Engineering in London, England.

He has seen the department of mines grow from a few students to an enrolment of 116 including now sons of graduates he taught in former years.

Nickel's Earnings Decline in Quarter

Quarter Ended September 30, Shows Net Profit of $645,970, Equal to One Cent Per Share on Common Stock

Net profits of the International Nickel Co., of Canada, for the three months ended September 30, last, were $645,970, equivalent to 1c. per share on the 14,584,025 common shares outstanding after allowing for preferred dividends. This compares with a net profit of $1,700,249, equivalent to 8c. per share in the previous quarter.

Earnings for the nine months period are shown at $4,005,857, which is equivalent to 17½c. per share on the common stock as compared with $9,897,836, or 57½ cents per share in the same period of 1930.

The following is a tabulation of the consolidated general profit and loss statement for the three quarterly periods of the current year and a total of the nine months period of the current year compared with a similar period in 1930.

Consolidated Income and Surplus Account

	3 mo. end. Sept. 30 1931 $	3 mo. end. June 30 1931 $	3 mo. end. Mar. 31 1931 $	9 mo. end. Sept. 30 1931 $	9 mo. end. Sept. 30 1930 $
Earnings	2,030,991	3,248,560	3,238,406	8,517,958	15,360,428
Other income	27,039	63,728	15,975	106,741	539,087
Total income	2,058,030	3,312,288	3,254,381	8,624,699	15,899,515
Less:					
Admin. & gen. exp.	313,556	314,514	374,494	1,002,565	1,164,862
Tax provision	60,162	187,274	145,910	393,346	1,069,261
Operating income	1,684,311	2,810,499	2,733,977	7,228,787	13,665,392
Less:					
Int. paid and accr.	115,245	118,574	119,864	353,683	371,197
Deprec. and res.	923,096	991,677	954,475	2,869,247	3,396,360
Net profit	645,970	1,700,248	1,659,638	4,005,857	9,897,835
Previous surplus	18,665,460	19,635,531	20,646,169	20,646,169	24,968,970
Less: Adjustments	488,447	....	....	488,447	....
New surplus	18,822,983	21,335,779	22,305,807	24,163,579	34,856,805
Dividends:					
Preferred	483,485	483,484	483,484	1,450,453	1,450,436
Common	1,457,893	2,186,836	2,186,792	5,831,521	10,504,299
Surplus forwarded	16,881,605	18,665,460	19,635,531	16,881,605	22,902,071
Earnings per common share	1c	8c	8c	17½c	57½c

Gross Earnings Down

The gross earnings, which had remained steady in the first two quarterly periods of the current year showed a decline of approximately 37½ per cent in the past quarter. Administration and general expenses showed a slight decline for the previous quarter, while an adjustment in respect to taxes and exchange reduced the previous surplus by $488,447.

The provision for depreciation, depletion, and other reserves was of the same liberal order, but slightly below the previous quarter, while the total reserves for the nine months' period, were about 15 per cent below the same period in 1930.

Dividends Not Earned

Dividends were further reduced during the third quarter to an annual basis of 40 cents per share on the common stock or 10 cents per share quarterly 1c. per share of which was earned.

No statement has been made regarding the future dividend policy of the company, but students of International Nickel believe that further curtailment of dividends will have to be considered owing to the inroads being made on the company's liquid position.

The balance sheet for the quarter under review, shows total current assets of $29,925,456, as compared with $33,711,065 on June 30, last.

In analyzing the current assets of the company it is significant that the inventories, shown at $21,250,377, show but slight advance over those at the end of the previous period which are about the same as at the end of the last fiscal year, December 31. Accounts and bills receivable show further declines while government securities stand as they have for the past year. Cash demand and time loans, total $3,149,748, a decrease from $6,061,520 on June 30, accounting for the principal reduction in the current assets.

Platinum Output Important

In the third of a series of quarterly letters accompanying the quarterly statement, Robert C. Stanley, president of the company, reviews the company's position as follows:

"The so-called platinum group comprises six metals, platinum, palladium, iridium, rhodium, ruthenium and osmium. All of these metals with the exception of osmium are refined to high purity—at least to 99 per cent—by your company. In the process of extracting nickel from our ores, the platinum metals are recovered as a by-product. To separate and refine the platinum metals contained in this by-product material the company has developed at Acton, England, the world's largest and most modern platinum metals refinery, having a capacity of 300,000 ounces annually.

"These platinum metals are precious not because of popular whim but because they possess certain desirable qualities. The study of their application to the needs of modern civilization is a proper function of the platinum producer and we are bringing to this study the experience of research and marketing which the company has gained in successfully finding new uses for nickel. In this way we aim to increase earnings from the fortunate occurrence of precious metals in our great reserves of copper-nickel ores."

KEHO LAKE WELL BUOYS ALBERTA'S CRUDE OIL HOPES

Encouraging Evidence of Commercial Oil Found at Contact

From Our Own Correspondent

LETHBRIDGE.—Southern Alberta and Lethbridge are pinning much faith in the Keho Lake No. 1 well as its major contribution to Canadian oil development this season. This wildcat of the Hudson's Bay Oil & Gas Co.—a joint oil venture of Hudson's Bay Co., and Continental Oil of Delaware—recently cut into an oil formation at 4,928 ft. with a gas pressure variously estimated at from 750,000 to 1,000,000 cu. ft. The crude oil is of a greenish tinge and tests 33 gravity baume.

The well is standing cemented. There was a small intrusion of water from the Sunburst formation and a formation shutoff failed to hold this back, hence the eight-inch string was cemented. When the cement hardens the well will be drilled in carefully in the hope of increasing the flow. Oil rose to a height in the casing of from 750 to 1,000 ft. and a control head was attached. Oil men believe the well is a profitable pumper as it stands.

Is Old Wildcat Territory

This structure, lying 18 miles northwest of Lethbridge, was mapped first back in 1914 and a company was formed to drill. The war came on and nothing was done. Gas seepages, however, kept up the interest and a year and a half ago Hudson's Bay Oil & Gas set up a camp and spudded a well close to the Keho Lake, an irrigation reservoir, which, by the way, has been covered by oil lease since the strike was made. A 60-barrel well was cased off in the Benton formation at 3,770 ft. and then at the Ellis-Madison contact oil shows were found, which resulted in the present promising strike of crude when the porous Madison lime was cut. The well is located in LSD 2-17-11-22-4W on what some believe is the high of the structure, said to lie on the eastern rim of the great Alberta geosyncline with a wide contributing drainage area.

On the same structure Nordon, Texas, Vulcan and a number of individuals hold acreage. A wildcat well is being drilled 15 miles to the southeast by the Imperial and Texas companies. Gas shows but no oil have been found in this test. It is still drilling and has yet to test the producing area tapped by the Keho well the north.

TRADE IN EAST SHOWS INCREASE

But Wholesalers Handicapped by October Weather

More active trade is reported in Eastern Canada and the continued gain in Winnipeg wheat prices is a favorable factor in Western purchasing power, according to the weekly report of R. G. Dun & Co. Export grain movement through Montreal also is improving. There has been a seasonal decline in new automobile and truck sales in Quebec and the Maritimes, but volume continues good in accessories and parts.

Increased demand for electric power in some sections has been met by new transformer and control installations, and a large Winter business is expected in household electrical supplies. The large road construction programme undertaken by many provinces for the relief of unemployment has brought out enquiries for camp equipment and supplies. The results of British elections has had a beneficial psychological effect on business in general, giving a further impetus to the cheerful attitude which now is gaining ascendancy.

Wholesalers, for the most part, made but little progress during October, merchants being handicapped severely by the phenomenally warm weather prevailing. Installment houses are maintaining a fairly good volume, but mail order establishments, on the average, are below their sales totals of a year ago. Dry goods sales have been disappointing in many instances, but a satisfactory volume of millinery business is developing. More favorable conditions prevail in women's wear trades, but most of the men's clothing factories continue to run on short time. Jewellers are confining much of their holiday ordering to the cheaper lines made in Canada. Grocery turnover has narrowed slightly, and exports of butter and cheese to British markets have experienced a set-back, as a result of election activities; this, however, is regarded as merely a temporary condition. The demand for hardware is showing a decrease, attributable to the slackening of activity in lumbering and building, although the open weather has been favorable to the continuance of activities in the latter line; there is a moderate amount of dwelling construction in process. Few lumber companies propose cutting during the coming winter, so that a slight stiffening of hardwood prices is anticipated in the near future. In fact, British Columbia lumber quotations are stiffening, as a result of the low state of mill and retail stocks.

Treadwell Yukon Curtails Work on Bodie Property

A dispatch from San Francisco says Treadwell-Yukon Co. has suspended underground work on its Bodie California gold property owing to the failure of development work to prove the continuation of the high grade stringers.

Work on the development of the large low-grade surface deposits will continue in an attempt to justify a large milling programme.

At the Tybo Nevada lead-zinc property production has been suspended owing to the continued low metal prices. Development is continuing on a one shift basis.

Sees Market for Cranberries

Calling attention to the fact that Nova Scotia cranberries are now being sold in more than a hundred retail stores in the city of Toronto, with the list expanding, R. W. E. Burnaby, Maritime Trade Commissioner at that centre, writes: "If quality, service and orderly marketing are maintained, Maritime cranberry growers and shippers can sell their entire crop in Central Canada."

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